# Daily Report

# East Europe

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18 November 1992

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*FBIS-EEU-92-223* *18 November 1992*

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## Czechoslovakia

Prague Radio reports that the Federal Assembly passed a draft resolution to end the Czechoslovak Federation. The deputies deleted from the original text the recommendation that said "both republics could still conclude bilateral agreements and international treaties with their parties under their separate names before the demise of the Federation." This resolution was also "on the agenda" of the session of the National Council of Slovakia. The latest report said that the deputies also passed the resolution.

## Yugoslavia

***Federal***—Saying that he "cannot fight the whole world," Prime Minister Milan Panic protested the UN Security Council's decision to tighten the sanctions, Belgrade radio reports. Panic said that the sanctions "have gone too far" and that it is "absolutely not fair" that the "West insists on changing the system economically" rather than relying on the December elections to oust Serbian President Slobodan Milosevic from power.

## Slovenia

The Government agreed to draw up a free trade agreement with the Czech lands, Ljubljana radio reports. During a one-day visit to Slovenia, Czech Prime Minister Vaclav Klaus urged "as close as possible" relations "in all spheres" between the Czechs and Slovenes and said that the free trade zone could be established by the middle of 1993.

## Poland

Warsaw television reports that President Lech Walesa signed the interim constitution passed earlier by the Sejm and Senate. The new constitution enables the government to expedite the passage of "important bills" and to issue "decrees with the power of law," while the president's right to put forward a motion to dismiss the government has been abolished.

## Hungary

MTI reports that the Alliance of Free Democrats elected historian Ivan Peto as the party's new president. Peto said that he intends to improve contacts between the Free Democrats and Prime Minister Jozsef Antall's Hungarian Democratic Forum.

## Iranian Report Warns of Third Balkan War

*LD1711094492 Tehran IRNA in English 0820 GMT 17 Nov 92*

[IRNA report: "The Balkans, Ready To Explode"]

[Text] Athens, Nov 17, IRNA—Following the collapse of the Soviet Union and the communist regimes in the Balkans, Western states are vying to fill the power vacuum thus making a complex situation more intricate and dangerous.

As if the massacares and bloodshed in Bosnia-Hercegovina are not enough, reports and analyses in the Western media are now warning that the third Balkan war could be around the corner. The widespread fear is that the fighting in Bosnia-Hercegovina would now spread to further south of what was former Yugoslavia and enflame a war that could involve a number of countries of the region.

In Kosovo, where the vast majority population is Muslim of ethnic Albanian origin, the situation is explosive because of Serbian intransigence to grant the Albanians their rights of self-determination.

Serbia's ultra-nationalist president, Slobodan Milosevic, who has earned the title of the "butcher of Belgrade," stripped Kosovo of its autonomy status last year in order to devour it as part of the greater Serbia. If the ethnic Albanians rise up to demand independence, Balkan observers are certain that the Serbs will respond with a bloodbath more brutal than that in Bosnia-Hercegovina. In such an event neighbouring Albania is bound to intervene which could lead to a direct armed confrontation with Serbia. Three ethnic Albanians were killed last week when riots erupted in capital Skopje of the former Yugoslav Republic of Macedonia where also an ethnic Albanian minority lives.

Greece is already apprehensive of some circles in Tirana dreaming of creating a "greater Albania." On the other hand some extreme right-wing circles in Greece want the southern part of Albania, called Epirus, where the Greek ethnic minority lives, to become part of Greece. Athens is fighting a losing battle with its European Community partners not to recognize Skopje with the name of "Macedonia." Greece says the republic has territorial designs against the region of "Macedonia" in Greece.

But Greece's European partners are more interested in self-interest and influence rather than in historical rights and territorial differences in the Balkans. One scenario speaks of Greece and Serbia waiting for a chance to divide the former Yugoslav Republic of Macedonia between themselves, while Bulgaria has its own ambitions against the republic. The U.S. and European powers, like Germany and Italy, are looking for a new role in the Balkans. It is no secret that it was under German pressure that the EC recognized the independence of Croatia and Slovenia as independent states.

But on one issue all Western powers are united: not to let the emergence of an Islamic state in Europe. Hence the massacare of Muslims in Bosnia-Hercegovina continues unabated. On the other hand, the U.S. and Germany also want to prevent the creation of a strong Christian Orthodox axis between Greeks and the Serbs who would dominate the Catholics in the Balkans. Therefore they want to keep the Serbs and Greeks involved in the crisis in Bosnia and in the Macedonian problem.

The Greeks and the Serbs are worried over the emergence of a Turkish-controlled "Muslim" axis in the Balkans. Athens has repeatedly accused Ankara of trying to use the Muslim minorities in the Balkans to promote its influence in the region. Turkey has signed several economic and military agreements with Albania, Bulgaria and Macedonia increasing fears in Athens. Greece is concerned that a general flare-up in the region would lead to an influx of refugees from the southern region of former Yugoslavia into its northern borders.

Any Turkish military involvement in the Balkan crisis would automatically draw its traditional foe Greece into the arena. Some observers rule out the threat of a Turkish military involvement pointing that Turkey took no action to help the Muslims in Bosnia-Hercegovina. Ankara has its hands full in dealing with the Kurdish insurgency, they say.

Political observers are now asking the question, not if, but when the "powder keg of Europe," the Balkans, will explode.

## Joint Venture Activity, Trade Agreements Assessed

*AU1711184892 Tirana BASHKIMI in Albanian 28 Oct 92 p 1, 2*

[Interview with Naske Afezolli, deputy minister of trade and foreign economic cooperation, by Pellumb Bataj; place and date not given: "From 22 March Onward"]

[Text] [Bataj] We would like to know and inform our readers about how many joint ventures function in Albania?

[Afezolli] Licenses for 76 joint ventures with foreign firms have been issued so far. Of these, 27 licenses were issued by the Council of Ministers during the one-year period from September 1990 through August 1991. Licenses for 49 other joint ventures were issued by the Ministry of Trade and Foreign Economic Cooperation from October 1991 through September 1992. Of these, we have invalidated licenses for six joint ventures, because they have not performed their activity on the basis of the contract. Licenses for 70 joint ventures continue to remain valid. A part of these enterprises have started their activity, whereas another part of them are encountering difficulties. Regardless of the aid or official contracts with various states, worthy of mention is the fact that from 22 March to 1 October 1992, if we compare it to the 19-month period, a total of 51 joint ventures were created during the 19-month period from September 1990 through March 1992, whereas 19 joint ventures were started from 25 March-1 October.

[Bataj] Nevertheless, we would like to know whether shortcomings or delays are observed in the activity of joint ventures and mainly with what states do they cooperate?

[Afezolli] If you observe the distribution of joint ventures, so far 55 percent have been centered in Tirana. Meanwhile, specific activity with foreign firms has not yet started in many important cities, such as Pogradec, Kruje, Lac, Peshkopi, Permet, etc. A greater commitment to establish relations with foreign firms is especially required from these districts, but also from others, something that must be preceded by complete technical studies by the district. Defects and delays in carrying out complete technical-economic studies have a negative influence on attracting foreign investors and accelerating work to start investments. According to the states, 30 joint ventures were established with Italian firms, 12 with Greek firms, and 28 with various firms from 13 other states. These data alone present the need to establish better relations with other powerful investors from the United States, Germany, Austria, and other developed countries with high technology, and with businessmen from the Albanian diaspora, who want to invest in Albania.

[Bataj] We have spoken so far about joint ventures. Can you give us a general survey about agreements on economic and trade cooperation with foreign countries?

[Afezolli] They are many. Anyway, I can tell you that we signed 13 agreements from 22 March to 1 October. For example, it is known that in August 1992 the United States granted Albania most-favored-nation status. We can also mention the EC's agreement on aid in May 1992, agreements with Slovenia by the end of March 1992, those with Croatia signed at the same time, with Austria, and, I can say, many more.

[Bataj] Thank you.

## Private Sector Increases Share of Imports

*AU1611144492 Tirana ATA in English 1108 GMT 16 Nov 92*

[Text] Tirana, November 16 (ATA)—Although the volume of imports during October was 298 million leks less than a month ago, the private merchants intensified the working rates. During September, they imported to Albania goods to the tune of 870,598 leks, equal to less than 50 per cent of the total amount of our imports. During October they increased their imports to 1,030,428 leks, equal to 69.2 per cent of the total amount.

As regards export, the state is far from the private individuals, since private industry in Albania is in the first steps. Most of the state exports are those with the minerals.

During October, 8,159 trucks, 261 ships, 466 planes and 9 trains crossed the ports and airports of Albania. The total income from the customs' houses for October is 385,624,000 leks.

### Control of Serbian Ships on Danube Tightened

*AU1811080192 Sofia BTA in English 2150 GMT 17 Nov 92*

[Text] Sofia, November 17 (BTA)—An extraordinary session of the Danube Commission held in Budapest today voted a resolution proposed by Bulgaria assigning the member countries of the commission to establish strict control over the Danube for guaranteeing the observations of the UN embargo against Serbia and Montenegro, the special correspondent of the BTA, Mrs. Radka Nenova, reported. At the same time it became known that some of the countries lack the means for establishing such control.

Yesterday the Bulgarian Foreign Ministry handed a note to a representative of the Embassy of Serbia and Montenegro in Sofia protesting against the halting of Bulgarian ships for the collection of transit dues unilaterally introduced on the Yugoslav section of the River Danube. Today it was reported that the Bulgarian Khadzhi Dimitur ship was halted in this section of the Danube and cannot continue its journey because it is demanded to pay 10,500 U.S. dollars in transit dues. The River Navigation Company in Ruse has started negotiations with the cargo owners for the payment of these dues.

The Bulgarian Customs Authorities will start inspecting the transit vessels travelling upstream the Danube the moment the new resolution of the UN Security Council for a total blockade against Serbia and Montenegro is published as well as the necessary documents and recommendations of the Danube Commission, Mr. Lyubomir Yosifov, chief of the Customs Office at the Port of Ruse, told the BTA correspondent in Ruse. Mr. Yosifov added that all vessels starting their journey from Bulgaria are being carefully inspected.

According to customs officials, in order to apply this resolution it is necessary to specify the way in which the transit vessels will be stopped, controlled and sanctioned. The Bulgarian section of the Danube is an international navigation route which allows for the free movement of vessels. They also recalled that in order to make their work efficient the customs officials need to have the necessary equipment—a small cutter, radio communication, etc., equipment which they do not dispose of at present. [as received]

### Greece Supplying Gasoline to Former Yugoslavia

*AU1711194792 Sofia BTA in English 1927 GMT 17 Nov 92*

[BTA correspondent report: "'River of Petrol' Flows Westwards"]

[Text] Blagoevgrad (southwestern Bulgaria) November 17 (BTA)—The business with the transfusion of petrol from Greek tanker trucks into trucks with Macedonian, Bosnian, Serbian and other licence plates near the town of Petrich (on the Bulgarian-Greek border) is continuing. Both the reports in the press and the other measures which have been taken failed to stop the "river of petrol" flowing across Bulgaria's western border towards former Yugoslavia, all the more so that all documents are in order.

At the same time the people living in the region of this "small Kuwait" are already buying petrol with rationing tickets. Drivers in the Petrich Municipality cannot buy more than 15 litres of petrol a day and private taxi drivers are entitled to 30 litres. In this way the Petrich Town Council is seeking to curb the illegal export of petrol to Macedonia by Bulgarian nationals. The rationing tickets are issued by the Economic Department of the town council on a daily basis. Following the introduction of these restrictions many Petrich drivers attacked the petrol stations in the nearby town of Sandanski. Mr. Kiril Shkodrev, deputy director of the Petroleum Company in Blagoevgrad, told BTA that this has made the Sandanski leadership contemplate how to stop this invasion.

On its part the Petroleum Company will convene representatives of its branches in the region to discuss possible ways to overcoming this difficult situation which threatens the region with petrol shortages. Orders banning the sale of petrol in large quantities have been sent to many places, but Mr. Shkodrev admitted that petrol retailers are not observing them and are not in a state to do so, "simply because they are beaten," he explained. Insolent customers raise rows and pick fights when refused to be sold petrol. The prosecuting authorities in Kyustendil have started inquiries into a number of such incidents.

### Ministry Suspends Fuel Exports to Ex-Yugoslavia

*AU1711191892 Sofia Khristo Botev Radio Network in Bulgarian 1830 GMT 17 Nov 92*

[Text] The Foreign Trade Licensing Department of the Ministry of Trade has temporarily suspended the [words indistinct] registration of certificates for the export of diesel fuel, gasoline, and heavy fuel oil to Macedonia, Bosnia-Hercegovina, Slovenia, and Croatia.

Tomorrow, 18 November, a further decision is expected that will be in conformance with the new embargo restrictions imposed by the UN Security Council.

### Turkish Chief of Staff on Relations, Yugoslav War

*AU1811104092 Sofia OTECHESTVEN VESTNIK in Bulgarian 13 Nov 92 p 1*

[Report by Nikolay Gavrilov: "General Gures Dreams About New Neighborhood"]

[Text] On 12 November an important military document was signed 15 km. from Kapitan Andreevo, at the headquarters of the Third Mechanized Division in Edirne.

According to the document, the contacts in the military sphere will double on a basis of openness, transparency,

and confidence, in accordance with the 1992 Vienna document on strengthening confidence and security in Europe.

[Chief of the Turkish General Staff] Army General Dogan Gures told OTECHESTVEN VESTNIK:

"We are champions of real good-neighborly relations, different from the situation in the past. Imagine we already are in the 21st century. I am already retired. I get in my car and with a single document—my passport—I travel for two days to Sofia and Plovdiv, spend the weekend among many friends, and return to Turkey in a great mood. This dream of mine also applies to all Bulgarian and Turkish citizens.

"[On Yugoslavia] the Turkish Government is following with alarm those evil deeds and condemns them. I hope that the Bulgarian Government holds the same position. Ataturk once said that if there is peace in the country there also will be peace in the world. This statement has a topical importance. As an Army commander, I am prepared to send our peacekeeping troops, but the decision must be adopted first of all by the politicians.

"We must live in a new manner. After all, we live in Europe. Ankara and Sofia serve as an example of confidence in many spheres."

## Army Chief on Importance of Agreement With Turkey

*AU1811104492 Sofia Khorizont Radio Network in Bulgarian 1000 GMT 18 Nov 92*

[Text] Bulgaria and Turkey made a very important step in mutual control of military activity and expanded military cooperation, Colonel General Lyuben Petrov, head of the Bulgarian Army General Staff, said at a news conference related to the working meetings between the heads of the general staffs of the Bulgarian and Turkish Armies that took place last week in Khaskovo and Edirne.

He briefed journalists on the contents of the document that was signed in Edirne, and stressed that this is not a military alliance, but rather a complex of mutually supplementary measures on strengthening confidence and security, and on expanding military contacts between Bulgaria and Turkey.

## Ministry Denies Report on Arms Export to Macedonia

*AU1711213692 Sofia BTA in English 2051 GMT 17 Nov 92*

[Text] Sofia, November 17 (BTA)—The Press Office of the Ministry of the Interior made the following statement in connection with a report in today's TRUD, headlined "Arms From Bulgaria Exported to Macedonia Quite Recently," according to which small arms were exported to Macedonia, carried by four Bulgarian-registered TIR [International Road Transport] trucks driven by Bulgarian drivers, which crossed the border at the Stanke Lisichkovo checkpoint.

"Strict control has been introduced and is being exercised over outbound trucks at border checkpoints. All outgoing trucks with a Bulgarian or foreign registration are unsealed and the cargo is checked by customs and border officers.

"The report in TRUD is untrue. Trucks carrying cargoes as cited in the report have not crossed the border at the Stanke Lisichkovo checkpoint. It is not true that the law-enforcement authorities have reported such a case because arms export of this kind is impossible and absurd.

"The Interior Ministry's leadership believes that wishing to create a sensation, TRUD has let itself be misled, judging by the fact that TRUD journalists today called the Ministry of the Interior, trying to verify the information, which they were obliged to do before the publication of the report.

"The report is an attempt at creating a cheap sensation, while disregarding the fact that such misinformation jeopardizes this country's interests," said the Press Office of the Ministry of the Interior.

## CSFR Backs UN Measures Preventing Sanctions

*LD1711164392 Prague Stanice Ceskoslovensko Radio Network in Czech 1500 GMT 17 Nov 92*

[Text] Czechoslovakia will observe and support all measures stemming from the UN Security Council's resolution aimed at preventing the sanctions against Yugoslavia being bypassed. The resolution was approved last night in New York. This is in the statement by the [Federal] Ministry of Foreign Affairs. The statement goes on to say that Czechoslovakia backs the efforts by the international community to end armed clashes and arrive at a peaceful and just solution to the conflict on the territory of Bosnia-Hercegovina.

Czechoslovakia continues to see political dialogue between all protagonists as the decisive prerequisite for the conflict to be peacefully settled.

## Meciar Meets EC Official, Discusses Treaty

*AU1711141492 Prague CSTK in English 0950 GMT 13 Nov 92*

[Text] Bratislava, Nov 12 (CSTK)—The European Parliament has never discussed rejection of the Association Agreement with Czechoslovakia, Jannis Sakellariou, European Parliament rapporteur for the European Community (EC) Association Agreement with Czechoslovakia, said after his meeting with Slovak Premier Vladimir Meciar in Bratislava today.

It is only a technical problem, as Czechoslovakia will cease to exist as of January 1, 1993, and two new subjects will come into being. The EC strives for the agreement with the two successor states to be signed as soon as possible, Sakellariou stressed.

On Wednesday [11 November] Sakellariou said in Prague that he stands against automatic succession of the Czech and Slovak Republics to Czechoslovakia's Association with the EC. Meciar stated that the European Parliament deputies' groups are to visit Slovakia to see the real situation. It was stated at today's meeting that there is a great difference between what the press writes and the reality, Meciar added.

The Gabcikovo water works issue is not an insolvable problem, but only on condition that it is depoliticized. Central Europe's stability is in no way threatened by the current developments in Slovakia, Meciar said. We neither feel threatened by anybody nor do we threaten anybody, Meciar pointed out.

Sakellariou's visit to Czechoslovakia opened November 11 to last till November 15.

## Strasky Backs Draft Bill on End of CSFR

*LD1811124792 Prague Stanice Ceskoslovensko Radio Network in Czech 1200 GMT 18 Nov 92*

[Text] The debate on the government-sponsored draft constitutional law on the end of CSFR is the only point on the agenda of today's fifth joint session of the the two Chambers of People and of Nations of the Federal Assembly.

Assessing the reasons for the bill, Federal Prime Minister Jan Strasky recalled that the Federal Government was fulfilling one of the tasks stipulated in its policy statement, namely securing the conditions for the functioning of two sovereign states. The bill also responded to the agreement concluded between the decisive political powers and to the will expressed by the Czech and Slovak officials to shape their sovereign existence separately.

Jan Strasky went on to say that the bill defined the Czech and Slovak Republics as successor states to Czechoslovakia. It made it possible for the two national parliaments to adopt constitutional and other laws until the very day of the demise of the common state. Under their names, the governments of both republics would be able to conclude international agreements that would come into force after the demise of the Federation, even before the latter ends. To conclude his speech, Jan Strasky asked the deputies to approve the law and thus lay the foundations for constructive cooperation between the Czech and Slovak Republics.

Following the federal prime minister's address and the speeches by the joint rapporteurs of both chambers, an open debate of the draft law on the end of the federation began with representatives of deputies' clubs airing their views. The federal parliament has now broken for lunch. The afternoon session is expected to begin after 1400 hours.

## Draft Bill Passed

*LD1711154692 Prague Stanice Ceskoslovensko Radio Network in Czech 1500 GMT 17 Nov 92*

[Report by Alexander Picha]

[Text] Following a dramatic debate, the deputies eventually approved a draft resolution whereby the Czech parliament recommends that the Federal Assembly adopt the law on the end of the Czechoslovak Federation as soon as possible.

The result was declared two minutes ago. The voting, by names, showed there was a polarization between the Czech opposition and the government coalition. The resolution to the Federal Assembly was not backed by an overwhelming majority of opposition deputies.

Before the vote, the deputies for the Social Democratic Party and the Civic Democratic Party clashed over whether the vote should require three-fifths of a simple majority. Eventually, the arguments for a simple majority won, and so the bill has been passed, because the government coalition was in favor. The Social Democrats also failed to get through a proposal by Deputy

Josef Wagner for the resolution to link the adoption of the law on the end of the Federation to its endorsement through a referendum.

The deputies deleted from the original text prepared by the negotiations commissions of the national parliaments in Jihlava [16 November] the recommendation that said that both republics could still conclude bilateral agreements and international treaties with third parties under their separate names [as the Czech or Slovak Republic] before the demise of the Federation.

The draft resolution recommending to the Federal Assembly that it debate and approve the constitutional law on the end of CSFR as soon as possible was also on the agenda of the session of the National Council of Slovakia, which began this afternoon in Bratislava. The latest report says that the deputies have passed the draft resolution.

## Prime Minister on Division of Federal Property

*LD1711185192 Prague CSTK in English 1619 GMT 17 Nov 92*

[Text] Prague, Nov 17 (CSTK)—Much more has been done for the establishment of the new independent Czech and Slovak Republics than for ending the Czechoslovak Federation, Federal Premier Jan Strasky says in today's daily "HOSPODARSKE NOVINY." This does not concern only adoption of a constitutional decision (on the division of Czechoslovakia), but also delaying the division of federal property, and other questions, including negotiations of many agreements, Strasky says.

This is probably due to the fact that the preparation of new states is better motivated than steps that lead towards ending the existence of a state, Strasky says. He says that he would not overestimate the fact that the Federal Assembly (parliament) passed a law on division of federal property last Friday [13 November].

Strasky says that the law postpones solution of complex problems until an agreement (on property settlement between the Czech and Slovak Republics) is concluded. The agreement is to be concluded before the end of Czechoslovakia, which is scheduled as of January 1, 1993. Strasky says it is naturally positive that we have reached agreement on the fundamental principles of property division—real estate will remain in the respective republic were it is situated, the rest will be divided in a 2:1 proportion (according to the population ratio).

Strasky says that subcommissions will be set up these days to quantify the property of about 30 federal institutions to be divided. Alongside with the subcommissions, commissions of experts should start work on the first draft agreement, Strasky says and stresses that he would like a draft to be submitted to the presidiums of the republic governments on Monday next week.

## Paper Publishes Czech-Slovak Border Treaty

*AU1811103692 Prague HOSPODARSKE NOVINY in Czech 12 Nov 92 pp 16,17*

["Treaty Between the Czech Republic and the Slovak Republic on Standardizing Procedures and Cooperation Along the Common State Border" signed by Czech Prime Minister Vaclav Klaus and Slovak Prime Minister Vladimir Meciar in Prague on 29 October]

[Text] The Czech Republic and the Slovak Republic, motivated by their desire to standardize cooperation in protecting the state border, in supervising border traffic, and in maintaining order on the state border and by their desire to provide mutual assistance with the aim of preventing a breach of order along the common state border and precluding the damage that could be occasioned by activity on the sovereign territory of one contracting party on the sovereign territory of the other contracting party and taking into consideration the Geneva Convention on Refugees of 29 July 1951, have agreed on the following:

### Chapter I

### The Appointment of Senior Border Commissioners and Border Commissioners

#### Article 1

1. The contracting parties' relevant authorities shall appoint a senior border commissioner, border commissioners, and—as the case may be—their representatives, to fulfill the tasks arising from this Treaty.

2. The persons referred to in Paragraph 1 may ask a warranted number of assistants and specialists to fulfill the tasks arising from this Treaty.

3. The representatives of the senior border commissioner and the representatives of the border commissioners shall enjoy the same rights and obligations as the commissioners they represent.

4. The senior border commissioner or the border commissioners shall—as required—issue the assistants and specialists with written authorization setting down their rights and obligations.

#### Article 2

1. The senior border commissioners and their representatives and the border commissioners and their representatives shall be issued with credentials in Czech or Slovak.

2. The senior border commissioners shall exchange copies of the credentials referred to in Paragraph 1.

## Chapter II

## The Tasks of the Senior Border Commissioners and the Border Commissioners

### Article 3

1. The senior border commissioners shall guarantee fulfillment of the tasks arising from this Treaty and, in particular, shall:

a) Survey the general situation in protecting the state border, in supervising border traffic, in maintaining order along the state border, in cooperation, and in providing mutual assistance. They shall take measures to improve cooperation in these spheres;

b) Supervise and direct the activity of and cooperation among the border commissioners in protecting the state border, in supervising border traffic, and in maintaining order along the state border;

c) Approve the minutes from the regular working consultative meetings involving the border commissioners;

d) Make decisions in cases where no agreement has been reached by the border commissioners;

e) Hand over particularly serious, complicated, or contentious cases on which no agreement has been reached—along with their statements on the issue—so they can be dealt with by diplomatic means.

2. The senior border commissioners shall publish rules of procedure for their joint activity and for the joint activity of the border commissioners.

### Article 4

1. The border commissioners shall, in the border area entrusted to them, jointly survey the situation in protecting the state border, in supervising border traffic, and in maintaining order along the state border and shall coordinate the activity of the border authorities.

2. The border commissioners shall issue prompt information on:

a) Natural disasters and other extraordinary incidents that may spill over onto the territory of the other contracting party and on the measures being taken;

b) The mooring of ships belonging to the other contracting party without permission, flights over the state border without permission, and the arrival of aircraft without permission;

c) Work being carried out near the state border that may cause damage on the territory of the other contracting party or endanger the life or health of persons on its territory and also on searches being carried out within 1 km of the state border;

d) Prepared or implemented illegal crossings of the state border and on persons who have fled to the territory of the other contracting party while being pursued.

3. The border commissioners shall take measures to avoid breaches of order along the state border.

4. The border commissioners shall conduct joint talks—if possible, in the presence of those concerned—on the claims for compensation for damage caused by incidents on the state border outlined in Article 19, Paragraphs 2 and 3, as well as the claims for compensation for the costs incurred. The claims shall be discussed according to the legal regulations of the contracting party on whose territory the damage or claims arose.

5. The border commissioners shall hand over persons, domestic animals, goods, and documents in accordance with Articles 10-12.

6. The border commissioners shall relinquish to the senior border commissioners cases involving breaches of order along the state border on which they cannot come to a solution. They shall also relinquish the cases outlined in Article 3, Paragraph 1, Letter e).

## Chapter III

## The Activity of the Senior Border Commissioners and the Border Commissioners

### Article 5

1. The senior border commissioners shall hold a regular meeting once per annum, alternating on the territory of the two contracting parties, at which they shall discuss the fulfillment of the tasks outlined in Article 3, Paragraph 1 a) and shall come to a conclusion on fulfilling the other tasks arising from this Treaty.

2. Minutes shall be kept in Czech or Slovak on the regular meeting.

3. The minutes shall be subject to approval in accordance with the contracting parties' domestic regulations and shall come into effect the day the senior border commissioners issue a written report on their approval.

### Article 6

1. An extraordinary meeting shall be held at the request of either senior border commissioner.

2. Minutes from the extraordinary meetings shall be prepared, approved, and come into effect in accordance with Article 5, Paragraphs 2 and 3.

### Article 7

1. The border commissioners shall hold regular working consultative meetings as required; however, one such meeting should be held every six months alternating on the territory of the two contracting parties.

2. Minutes from the regular working consultative meetings shall be kept in Czech or Slovak.

3. The senior border commissioners shall approve the minutes, which shall come into effect the day the border commissioners issue a written report on their approval.

4. The border commissioners may—in urgent cases—take the necessary measures based on the minutes prior to their approval.

**Article 8**

1. The border commissioners shall—at the suggestion of a border commissioner from one of the contracting parties—hold extraordinary working consultative meetings for the purpose of conducting a joint investigation into cases involving a breach of order along the state border. The meetings shall, as a rule, be held at the site of the breach of order. In connection with this, the border commissioners may demand an explanation from witnesses and experts on the territory of the two contracting parties. The joint investigation shall not take precedence over the jurisdiction of the contracting parties' judicial or administrative authorities.

2. Minutes from the extraordinary working consultative meeting shall be prepared in accordance with Article 7, Paragraph 2 and documents and evidence shall be appended to them. The minutes shall come into effect the day they are signed by the border commissioners.

3. The border commissioners shall—on request or at their own initiative—hand over to each other the papers and information necessary for settling a breach of order or other incidents along the state border.

**Article 9**

1. The senior border commissioners, the border commissioners, and the persons referred to in Article 1, Paragraph 4 carrying out the tasks arising from this Treaty—while carrying them out on the territory of the other contracting side—shall have:

a) Guaranteed personal immunity and immunity for the official papers and stamps they have with them;

b) The right to wear an official uniform and carry an official firearm;

c) The right to bring with them the necessary means of transport and other essentials without paying import and export duties and other payments.

## Chapter IV

## Handing Over Persons, Domestic Animals, Goods, and Documents

**Article 10**

1. Persons who unintentionally, but illegally cross the state border and are detained in the immediate vicinity of the state border shall be handed over to the other contracting party at once.

2. When an individual is handed over, it shall also be necessary to hand over the goods he had with him and that he brought from the territory of the other contracting party. This way the provisions contained in the contracting parties' own legal regulations shall not be infringed.

3. The persons and goods referred to in Paragraphs 1 and 2 shall—as a rule—be handed over at the border crossing point closest to the area where they were detained. A record shall be kept of the handover.

**Article 11**

1. When domestic animals stray into the territory of the other contracting party, it shall be necessary to inform the border commissioner of the other contracting party so that measures can be taken to capture them. Captured domestic animals shall be separated from other domestic animals and handed over in accordance with customs and veterinary regulations—as a rule—at the border crossing point closest to where they were captured.

2. Items that made their way onto the territory of the other contracting party as a consequence of an act of nature shall be handed over to the other contracting party.

3. It shall be impossible to seek compensation for domestic animals that have strayed, but have not been recaptured.

4. A record shall be kept on the handover—in accordance with Paragraphs 1 and 2—of strayed domestic animals or goods. The record must also mention the costs associated with recapturing stray domestic animals and their veterinary care, and also the costs associated with recovering goods.

**Article 12**

1. The degree to which documents handed over by the senior border commissioner or the border commissioner are classified shall be determined by the legal regulations of the party submitting them.

2. The contracting parties shall respect and guarantee the right to protection of the individual [pravo na ochranu osobnosti] for those persons whom the submitted information concerns.

## Chapter V

## Traffic on Border Waters and Border Roadways

**Article 13**

1. Vessels belonging to both contracting parties may sail at any time and uninterrupted on border waters along the main navigation channel.

2. Official vessels belonging to the contracting parties' border authorities, police authorities, customs authorities, state navigation supervision authorities, and water management authorities may sail at any time along the border waters.

3. Other vessels belonging to both contracting parties may only sail on border waters along the state border from dawn to dusk.

4. Vessels belonging to both contracting parties sailing on border waters must abide by the rules of navigation issued on the basis of an agreement between the contracting parties.

**Article 14**

1. Official vessels belonging to the contracting parties' border authorities, police authorities, customs authorities, state navigation supervision authorities, and water management authorities may moor for official purposes on the river bank on the territory of the other contracting party.

2. Other vessels belonging to the contracting parties may only moor on the river bank on the territory of the other contracting party in an emergency. The person responsible for the voyage is obliged to inform the other contracting party's border or customs authorities of this fact without delay so that assistance may be provided.

**Article 15**

Border roads may be utilized in their entirety. The appropriate authorities from the contracting parties may, in accordance with their regulations and on the basis of a prior agreement, restrict traffic.

## Chapter VI

## Fishing, Hunting, and Working in the Vicinity of the State Border

**Article 16**

1. Fishing in border waters is permitted up to the state border.

**Article 17**

1. The contracting parties' relevant authorities shall ensure that—when hunting is taking place and work is being carried out in the vicinity of the state border—the other contracting party's territory is not violated and that there is no damage or threat to the life or health of people on the other contracting party's territory.

2. No open cast mining may be carried out within 20 meters of the state border, unless otherwise stated in a special treaty.

3. The contracting parties' relevant authorities shall take measures to ensure that major water outlets are not obstructed and that fires are prevented from spreading to the territory of the other contracting party.

4. If there is a danger of a fire spreading to the territory of the other contracting party, it is essential to notify its border authorities immediately.

## Chapter VII

## Extraordinary Violations of the State Border

**Article 18**

1. In the event of natural disasters and other extraordinary incidents on the territory of one contracting party in the vicinity of the state border, the other contracting party's rescue teams may cross the state border without travel documents if assistance has been requested from them by the relevant authorities of the contracting party on whose territory the natural disaster or other extraordinary incidents occurred. The border commissioners shall mediate in such requests.

2. In the event of a fire on the territory of one contracting party in the vicinity of the state border, fire-fighting units from the other contracting party may—if there is a danger of the fire spreading to the territory of the other contracting party—cross the state border without travel documents and intervene even if they were not asked for assistance.

3. Health care or veterinary staff may also cross the state border without travel documents if asked for assistance.

4. The persons referred to in Paragraphs 1-3 may cross the state border at any point and are authorized to remain on the territory of the other contracting party as long as they are needed there. They may take the necessary materials and equipment without special permission. For their return, they shall—as a rule—use the nearest border crossing point.

5. In the event of a natural disaster or other incident that may endanger the life or health of persons in the vicinity of the state border, the endangered persons may cross the state border at any point without travel documents. However, they are obliged to immediately declare themselves to the relevant local authorities.

## Chapter VIII

## Concluding Provisions

**Article 19**

1. For the purposes of this Treaty, the following concepts are understood:

a) The state border—as a series of consecutive nonexistent perpendicular lines that separate the Czech Republic and the Slovak Republic and as a zone standing perpendicularly above and below the surface of the earth;

b) The border area—as demarcated territory contiguous to the state border on which a border commissioner performs his duty;

c) Border waters—as sections of rivers and other water courses through which the state border passes and also as surface and underground waters in contours where the state border cuts across them;

d) Border roadway—as a road or section of road through whose axis the border route passes;

e) Border authorities—as authorities responsible for protecting the state border and for supervising border traffic;

f) Customs authorities—as authorities that supervise persons, goods, and valuables on the state border in accordance with foreign currency, customs, and other regulations;

g) Supervision of border traffic—as an activity carried out by border and customs authorities during the transfer of persons and goods across the state border;

h) Border crossing points—as a place designated for the transfer of persons and goods across the state border;

i) An extraordinary incident—as an industrial accident, an air crash, a major traffic accident, an ecological disaster, and so on;

j) Vicinity of the state border—as an area extending 15 km inland from the state border.

2. Acts committed on the state border or in its vicinity on the territory of one contracting party that damage or endanger the interests of the other contracting party and its territory or the lives, health, and justified interests of persons on its territory are considered to be a breach of order along the state border. The following, in particular, is regarded as a breach of order:

a) Gun shots—understood to be an instance when shots land on the territory of the other contracting party or traverse this territory regardless of the consequences;

b) Air space violation—understood to be an overflight across the state border without permission;

c) Territorial violation—understood to be unlawful entry onto the territory of the other contracting party, including instances when the perpetrator returns or intends to return of his own volition;

d) Acts of violence, threats, or other forms of conduct by which persons on the territory of the other contracting party in the vicinity of the state border demand to cross the state border;

e) Causing a fire—understood to be deliberate conduct or carelessness resulting in the outbreak of a fire on the territory of the other contracting party;

f) Damaging the border emblems—understood to be deliberate or careless action that results in the destruction, damage, illegal relocation, transfer, or removal of border symbols;

g) Explosions whose repercussions spill over the state border and cause damage on the territory of the other contracting party by air pressure and the impact of fragments and debris;

h) Polluting the environment—understood to be the transfer or unlawful transmission of explosive, radioactive, biological or chemical materials to the territory of the other contracting party or causing damage to plant life and polluting border waters leading to the deaths of fish—as the case may be—by using explosive, narcotic, or poisonous substances while fishing;

i) Insulting conduct either verbal or reproduced—by means of audio technology—insulting language, songs, or music that are audible on the territory of the other contracting party, the display of insulting notices and posters visible from the territory of the other contracting party, and their conveyance onto the territory of the other contracting party, that harms the interests of the two contracting parties;

j) Other breaches of order along the state border—understood to be acts other than those outlined in subparagraphs a) to i).

3. The following are not regarded as breaches of order along the state border:

a) Unintentional crossings of the state border—understood to be the transfer of persons across the state border who have lost their way, who are unfamiliar with the local terrain, and who have fallen asleep in international trains and unintentional crossings of the state border in adverse conditions or by people who are not in their right mind;

b) Straying of domestic animals—understood to be the transfer of unsupervised or uncontrolled domestic animals onto the territory of the other contracting party;

c) The drifting of shipping other vessels onto the territory of the other contracting party due to the effect of water and wind.

**Article 20**

1. Each contracting party shall pay its own costs in connection with fulfilling the tasks arising from this Treaty.

**Article 21**

1. This Treaty does not relate to commitments arising from other multilateral and bilateral treaties concluded by the contracting parties.

**Article 22**

1. This Treaty is concluded for an indefinite period. The contracting parties may abrogate it at any time by diplomatic means and in writing and the Treaty shall become invalid six months from the day notice of the abrogation is served.

**Article 23**

1. This Treaty shall come into effect on 1 January 1993.

Set down in two copies, in Czech and Slovak, in Prague on 29 October 1992. The two versions are equally valid.

## Klaus Optimistic on Future Developments

*LD1711225392 Prague Stanice Praha Radio Network in Czech 1800 GMT 17 Nov 92*

[Interview with Czech Prime Minister Vaclav Klaus by Vaclav Musilek; place and date not given—recorded]

[Excerpts] [passage omitted] [Musilek] A theme that is becoming more and more topical in the present situation is the way of constituting the Senate. The draft of the constitution proposed by the government envisages a two-chamber parliament, it sets the schedule for the election of members of the second chamber, that is, the Senate. The only thing that still needs to be resolved is how the Senate will be constituted. Which solution do you prefer?

[Klaus] I would like to say that as far as the Senate itself and its constitution are concerned, it is not true, as some are trying to make us believe, that there are some absolute textbook truths, which either force us to have a Senate or on the other hand force us not to have one. This is not true. It is simply one of those things where some sort of consensus and compromise must be found among all the parties involved. I myself am not a fighter for the Senate at any cost. I could even find an argument for why we could live without it. We are living without it now and I think that we do not miss it. On the other hand, the Senate is an issue that has gotten to such a stage that it seems impossible to write off. [passage omitted]

Neverthless, I think that it will exist. If it exists, the issue will be how to fill it in the initial period of its existence. I naturally think that no sensible person on the current political scene, including the opposition, wants [new] elections. Simply, none of us has the time or chance for holding elections. Elections must be held in stable conditions. [passage omitted]

Now, with the birth of the new Czech state there is again an unstable situation. Elections were held quite recently. [passage omitted] Elections are not suitable at the moment, and I am sure that the opposition knows this as well. It will of course say that if you do not know how to do it, hold elections. But I must admit that my impression from talking to the opposition in the corridors is that the opposition itself does not think that it could score greater success than it did last time, and fears a bit that it could even be less successful. For this reason, not even the opposition wants elections.

And so the issue remains to fill the Senate by co-opting people. (?One thing) is to create a new group of people, and I think this is unnecessary since we already have a certain group of people called the Federal Assembly deputies. For pragmatic reasons—not in order to save parliamentary salaries for deputies and to satisfy several excessively ambitious deputies, mainly from the opposition, who sit in the Federal Assembly and not in the Czech parliament—for this very pragmatic reason [as heard], I rather say yes to the variant of co-opting the deputies or some of them into the Senate. Not because we, the Civic Democratic Party, would like to advocate this, try to push it through, and fight for it. This is really not true. Let me state this loud and clear: I am merely saying yes to it as an acceptable variant.

[Musilek] However, the Federal Assembly deputies will still be in session. They have to debate the bill on ending the federation. Do you think that the passage of this bill can be helped by a possible recommendation from national parliaments to the federal deputies to pass it?

[Klaus] If it helps, I am in favor. The Civic Democratic Party has also issued a similar statement to this effect. However, I do not think that it could be the final issue which would tip the balance.

[Musilek] So what will be the final issue?

[Klaus] I do not know. I cannot know everything. But I think that what will finally decide the matter—it will seem unimaginative when I say this, but I think it is true—is time. [passage omitted]

We sometimes praise ourselves for things for which we do not merit praise. But let us praise ourselves for some things. I was in Slovenia yesterday. In a very interesting country, with a fate similar to our own. In a country that likes us and where a visit by the Czech prime minister is a great event, something like the leader of some world superpower visiting our country. This is how my visit was viewed. There I realized how much more advanced we are. You know very well that we signed 16 agreements with Slovakia. Ten more are ready for signing. Another six or eight will be approved, I think, on 23 November at a session in Bratislava. Those 10 that were approved in Zidlochovice will be formally signed there; that is 26, plus five or six. Altogether that is over 30 agreements that we will have signed. We will submit them for ratification.

We were in Slovenia and there I understood that they had also prepared 24 agreements between Slovenia and Croatia. Only one of them was signed by the governments. We have already signed 16, and not a single one was ratified by parliament. So let us not be sad. I think that we are doing well. [passage omitted] I think that everything is going in the direction that will ensure calm and peace in our country after the new year.

## Benda on Opposition in Independent Czech Republic

*LD1711153092 Prague CSTK in English 1438 GMT 17 Nov 92*

[Text] Prague, Nov 17 (CSTK)—In building the future independent Czech state, it will be possible to count on a considerable portion of the opposition as a constructive

element, said Vaclav Benda, chairman of the Christian Democratic Party (KDS), at a press conference here today.

This confirms the fact that in the course of the past weeks, material disputes between the governing coalition and the opposition have become clear and are being settled, he said. Negative positions of opposition parties on the dissolution of the federation, the Czech Constitution and the new organs of the independent state have been restrained, he said.

The governing coalition is made up of the Civic Democratic Party (ODS), the KDS, the Christian Democratic Union-Czechoslovak Peoples' Party (KDU-CSL), and the Civic Democratic Alliance (ODA). The opposition is made up of the Czechoslovak Social Democratic Party (CSSD), the Self-Governing Democracy Movement-Society for Moravia and Silesia (HSD-SMS), the Liberal Social Union (LSU), the left bloc (LB), and the Assembly for the Republic-Czechoslovak Republican Party (SPR-RSC).

Benda said, however, that a dispute between the coalition and the opposition over the pace of individual steps prevails, and that the opposition continues to rely on further delays to reverse the proportion of power. The KDS supports Vaclav Havel as a candidate for president of the Czech Republic, but wholly rejects direct presidential elections, he said.

Benda said that the growing tension and rivalry between deputies of the Czech National Council and the Federal Assembly is unsettling. The KDS supports the proposal that deputies of both legislative bodies convene for joint discussions, which could announce the independent Czech State and elect a president immediately after the passage of the federal law on the dissolution of the Federation.

## CSSD Backs Havel's Candidacy for President

*LD1711152292 Prague CSTK in English 1440 GMT 17 Nov 92*

[Text] Prague, Nov 17 (CSTK)—The Czechoslovak Social Democratic Party (CSSD) will support Vaclav Havel's candidacy for the post of Czech president, the CSSD Chairman Jiri Horak told a press conference today. He responded to the former Czechoslovak president Monday official announcement of his intention to run for the post.

The CSSD favours a direct presidential election. The popular election of the president is included in the party's draft Czech constitution, while the government draft does not count with this alternative, Horak said.

A proposal for a direct presidential election and other opposition suggestions will be presented by the CSSD at a Czech parliament's meeting as alternatives to the government's draft constitution.

## Parliament To Pass Czech National Bank Bill

*AU1711140492 Prague CSTK in English 1456 GMT 13 Nov 92*

[Text] Prague, Nov 13 (CSTK) — Czechoslovak State Bank (SBCS) Governor Josef Tosovsky today said that a bill on the Czech National Bank will be submitted to the Czech Government and the committees of the Czech National Council (parliament) today.

At a press conference Tosovsky said the Czechoslovak State Bank continues work on preparing to put new banknotes into circulation. At present there are about 300 million banknotes and 3,000 million coins in circulation. Slovak themes will be changed to Czech ones on the new Czech banknotes. New issues of 200-crown, 2,000-crown and 5,000-crown banknotes are being prepared. The present currency consists of 1,000-crown, 500-crown, 100-crown, 50-crown, 20-crown, and 10-crown banknotes.

The bill on the Czech National Bank provides for the appointment of a Bank Council and governor.

Tosovsky said a draft bill on a Slovak Central Bank is also ready. The two bills are in principle the same and it seems to me they could be of relatively good quality unless they are substantially changed during debate by the governments and parliaments, Tosovsky said. He added that the SBCS will cease to exist by December 31, 1992, when central banks in the two republics are to begin working.

Six versions have been worked out of the ratio for dividing the Czechoslovak membership quota in the International Monetary Fund (IMF) between the Czech and Slovak Republics, Governor of the Czechoslovak State Bank Josef Tosovsky told journalists.

The reason for the diversity, Tosovsky said, is the question of how to consider the division of the quota in internal trade between the two republics. In the basic work transmitted to the IMF, however, both republics suggest dividing the quota in a ratio of 2:1 favoring the Czech Republic, but the final decision depends on the IMF, Tosovsky said.

Since the end of August of this year, Czechoslovakia's currency reserves have dwindled due to a halt in growth of the balance of payments current account surplus, which is caused especially by the increase of imports connected with the building industry, Tosovsky added. He added that the rate of inflation for the year should not exceed 10 or 12 per cent, and that the growth of inflation in recent months was caused by a central price correction and an increase in the price of groceries.

## Economic Figures for September Given

*AU1811114592 Prague MLADA FRONTA DNES in Czech 14 Nov 92 pp 1, 14*

[Report by Tomas Marek: "Economic Decline Once Again, Prospects for an Improvement on the Horizon"]

[Text] Prague (From our own correspondent)—Gross domestic product declined approximately 10 percent in three quarters of the year, compared with the same period last year. According to the most recent estimate by the Czech Statistical Office, which was published yesterday, gross domestic product reached 302 billion korunas, with comparable prices in the Czech Republic.

Industrial production is at 87 percent of the output of the same period last year, but the building industry's output, on the contrary, rose 22.5 percent, compared with 1991. The estimate includes also the activity of the private sector.

The republic's trade balance deficit of the republic reached 4.65 billion korunas in nine months. The export of machines and vehicles declined once again, and the export of raw materials, fuel, and lubricants increased. Nevertheless, when comparing the third quarter with the first two quarters, it seems that the situation in the Czech economy has stabilized. In the first six months of 1992, the volume of gross domestic product was around 87 percent of last year's level over the same period. This signifies an improvement of three points in the third quarter.

The average inflation rate in the first three months was 10.7 percent, compared with the same period in 1991. The level of consumer prices was 10.1 percent higher in September, than in the same month in 1991. The rate of consumer price growth was 7.5 percent this year (1992 September prices compared with December 1991 prices).

In industrial production, last year's severe decline is gradually easing up. By the end of September, industrial production declined 13.2 percent (in comparable prices) compared with the same period last year. In September alone, production was, for the first time, even 1.2 percent higher than last year. Compared with 1990, however, the production decline amounts to about 30 percent.

There are both optimistic and pessimistic trends in the economy. Among the former, there is the fact that the share of the private sector in industrial production reached 14 percent, on the other hand, the fact that the only sector in which recovery has been recorded is in the coking plants and refineries industry, is a warning signal. The food and delicatessen industry, too, shows some stability. On the other hand, the production of vehicles, machines, and equipment has not reached even 75 percent of last year's level. Some 10 percent of employees left this industry. Compared with the volume of production, that means labor productivity is at between 90 and 95 percent of last year's level. The average monthly salary reached 4,567 korunas, which is an increase of 20 percent over last year (and which is 23 percent more than in the January to September 1991 period). In agriculture, wages rose 14 percent, and were at 3,932 korunas on average.

## Poll Shows Diminishing Trust in Authorities

*AU1611151792 Prague CSTK in English 1024 GMT 12 Nov 92*

[Text] Prague, Nov 12 (CSTK) — The Czechoslovak Federation's Government and Parliament have continued to lose the trust of both Czechs and Slovaks since this summer and are now considered untrustworthy by at least two- thirds of the population in both halves of the country. This was the finding of a mid-October poll of 650 people in the Czech Republic and 621 people in the Slovak Republic by the Institute for Public Opinion Research.

On January 1, 1993, the Czechoslovak Federation is scheduled to split into the Czech and Slovak Republics. According to the survey, 69 percent of Czech respondents and 70 percent of Slovak respondents said they did not trust the Federal Government. Both of these figures are about 20 percent higher than they were in a similar poll conducted in July. Trust in the Federal Assembly (parliament) dropped roughly 15 percent from July to October in both republics.

Inhabitants of the Czech and Slovak Republics expressed a comparable level of trust in their republic bodies, though the trust factor has declined more quickly in Slovakia than it has in the Czech lands.

Following are the results of the poll:

| | October | | July | |
|---|---|---|---|---|
| | Trust | No Trust | Trust | No Trust |
| Czech Government | 56 | 37 | 61 | 28 |
| Slovak Government | 55 | 40 | 61 | 28 |
| Czech Parliament | 50 | 40 | 54 | 32 |
| Slovak Parliament | 55 | 39 | 63 | 26 |
| Federal Government Czech Republic: | 25 | 69 | 32 | 50 |
| Slovak Republic: | 22 | 70 | 36 | 46 |
| Federal Parliament Czech Republic: | 14 | 79 | 28 | 59 |
| Slovak Republic: | 24 | 67 | 38 | 48 |

## Comenius University Against Trnava Abolishment

*AU1811143392 Prague LIDOVE NOVINY in Czech 14 Nov 92 p 2*

[CSTK report: "Trnava University"]

[Text] Bratislava—The Presidium of the Council of the Slovak Republic's Universities does not agree with the bill abolishing Trnava University. At the same time, the Ministry of Education of Science of the Slovak Republic recommends releasing the University's account. This is what a resolution from an extended meeting of the presidium's council says.

The Scientific Board of the Department of Mathematics and Physics at Comenius University approved on 18 November the dissertation by the president of Trnava University, A. Hajduk, and awarded him the title of docent. By that, the legal obstacle, not allowing his appointment as the director, was removed. The leadership of Comenius University proposes to withdraw the bill on abolishing Trnava University and it suggests that the position of Trnava University director be filled by election in the academic senate of Trnava University, in accordance with the law on universities. It also recommends to discuss this proposal between representatives of the Ministry of Education and Science of the Slovak Republic, Trnava University, Comenius University, and the Council of Universities.

### Antall Condemns Left, Right Extremism, Racism

*AU1711123092 Budapest MTI in English 1837 GMT 14 Nov 92*

[Text] Budapest, 14 Nov (MTI)—National-populist, Christian democratic and national liberal groups acting together give the strength of the Hungarian Democratic Forum. The party, with its might in centrist forces, must stay united, otherwise Hungary's stability may be in danger, Prime Minister Jozsef Antall, president of the Hungarian Democratic Forum [HDF], said at a conference of his party's national liberal wing on Saturday [14 November].

Looking back on the country's history, he spoke about liberal currents preceding the present national liberal trend. He stressed pluralist ideas have been present in Hungarian political life ever since the reform age in the 19th century. Antall termed it a serious mistake to think national-populist and Christian-democratic views are in conflict with national liberalism.

Also, he said it was a false view that the national-populist heritage had had anything to do with Nazi ideology that emerged in the 1930s. A great message of World War II, he said, was that both leftist and rightist totalitarian regimes led to a tragedy of nations.

Speaking about controversies within the HDF, Antall rejected views opposing democracy and market economy. "In whatever disguise, such views harm the nation," he said. Antall warned that far right phenomena often appear in spectacular forms and are easy for the opposition to exaggerate.

Speaking about a danger from the left, he said it seems realistic that, after a rule of several decades, people integrated into the structures of society, economy and the state may prepare a turn. "In 1994, voters are to decide whether they want to return to leftist dictatorship," Antall said.

Antall condemned racism and all its manifestations. He stressed the same resolute action, based on democracy and law, must be taken against both extreme left and extreme right phenomena. He termed damaging "studies" that have appeared recently, stressing he was referring to more than one such essay.

Antall firmly denied allegations the governing coalition intends to make efforts to postpone the general elections scheduled for 1994.

### Alliance of Free Democrats Elect New Leader

*AU1711122792 Budapest MTI in English 1649 GMT 14 Nov 92*

[Text] Budapest, 14 Nov (MTI)—Historian Ivan Peto was elected new president of the Alliance of Free Democrats, Hungary's largest opposition party, at the party delegates' assembly Friday [13 November] night.

Peto, who is to head the party for a two-year term, was elected with 525 votes. The other candidate, former Party President Peter Tolgyessy, received 292 votes.

Peto, 46, was born in Budapest. He graduated from the Budapest Eotvos Lorand University as a teacher of history and of Hungarian linguistics and literature. From 1970 to 1989, he worked in the central archives. Getting into contact with the democratic opposition in the early 1980s, he was a founder of the Network of Free Initiatives and the Alliance of Free Democrats in 1988. In the 1990 general elections, he won a seat in Parliament as an MP [member of parliament] of a Budapest constituency.

As the party's new president, Ivan Peto intends to start dialogues with Prime Minister Jozsef Antall, president of the Hungarian Democratic Forum, with the leaders of all parties in Parliament, and with the leaders of democratic forces outside Parliament.

Peto disapproved of the lack of official party contacts between the Free Democrats and the Hungarian Democratic Forum. He said the only contacts exist between the two as parliamentary forces.

Peto said he wanted to use the dialogues to promote democracy, to strenghten the confidence between the governing coalition and the opposition and to settle long-standing problems, for example, the media dispute.

According to Peto, the Free Democrats' primary task is to turn the party away from internal debates and towards the public. The party should be able to convince the people that it handles their problems as its own and can offer solutions to them. Before the general elections, the Alliance of Free Democrats should be open to more than one directions so as to be able to form a coalition for the elections, Peto said.

The party assembly also elected the 10 executives. Over the next two years, party affairs are to be managed by Gabriella Beki, Alajos Dornbach, Peter Hack, Balint Magyar, Imre Mecs, Karoly Attila Soos, Istvan Szent-Ivanyi, Marton Tardos, Peter Tolgyessy and Ferenc Wekler.

The assembly then continued its work with section sessions.

### Criticizes Present Government

*AU1711122492 Budapest MTI in English 1734 GMT 15 Nov 92*

[Text] Budapest, 15 Nov (MTI)—The present Hungarian Government has proved to be unprepared for the economic crisis hitting the country, says a statement issued by the Alliance of Free Democrats delegates' assembly on Sunday [15 November].

According to the statement, Hungarian voters in 1990 voted for the economic policy that seemed to be able to lead the country out of the crisis with the least of sacrifices and to create a market economy based on private property. The

present government, however, has never had a policy to handle the crisis, the statement says.

In the Free Democrats' view, Hungary is faced with a danger from the right because there is a tacit alliance between the authoritative right within the government and the far right outside it. The Alliance of Free Democrats will use all consitutional means to avert that danger, and, for that purpose, wants to cooperate with all democratic forces within and outside parliament.

In a closing address at the assembly, Party President Ivan Peto welcomed Prime Minister Jozsef Antall's speech he delivered as Hungarian Democratic Forum president at a conference held by his party's national liberal wing over the weekend. In the speech, Antall, more resolutely than ever before, dissociated himself from extremists within his party.

The Alliance of Free Democrats is ready to participate in the governing force after the next elections, the party statement says.

The party proposes an economic policy based on the objective consideration of the country's economic status and of external economic conditions instead of unfounded promises. The primary goal, says the statement, is to create a firm basis for long-term, balanced progress and growth.

In another statement on the Free Democrats, minority policy, the party's foreign affairs section said the protection of minority rights and interests does not depend on altering the borders. Therefore, the document says, it must be stated unambiguously that Hungary has no territorial claims towards its neighbours.

### Decline in Industrial Production Slows

*AU1811083092 Budapest NEPSZABADSAG in Hungarian 14 Nov 92 p 5*

[Report by MTI: "The Drop Stopped"]

[Text] Industrial production in Hungary dropped by some 36 percent between 1989 and 1991. This is included in the latest report of the Central Statistical Office.

At the beginning of the period under investigation, in January 1989, production stood at the 1985 level. The stagnation of the previous years was still characteristic of the first half of 1989. The recession process that gradually led to the current situation started in the second half of 1989. With minor deviations, this recession turned into stagnation in the first half of 1992, and it seems that production will stabilize at the extremely low level prevailing at the end of 1991.

Statistics experts think that the collapse of CEMA [Council for Mutual Economic Assistance] affected the various national economies much more seriously than the fall in production deriving from the direct fall in trade. According to estimates, a 100-forint fall in exports causes a fall of 197 forints in production. For instance, the Hungarian precision engineering industry has almost disappeared. Engineering industry production dropped to fifty percent in two years. The Hungarian metallurgy industry only reached 30-40 percent of its production level of seven years ago, and this is a growing trend. In the middle of 1992, aluminium metallurgy production was at 72 percent of the average production in 1985.

Exports are increasing in some sectors, and the main cause of this is that domestic sales fell in the middle of 1992, despite the considerable fall in overall production, to one third of the previous production level. We can generally observe a positive trend in production in the sectors that have succeeded in increasing their exports. According to statistical forecasts, the purchasing capacity of the domestic market will continue to fall.

### Unemployment Rate Continues to Rise

*AU1811105792 Budapest MTI in English 1234 GMT 16 Nov 92*

[Text] Budapest, 16 Nov (MTI)—The rate of unemployment in Hungary rose less rapidly in October, with the number of unemployed up by 10,000, the lowest monthly figure this year.

Preliminary figures from the Ministry of Labour show that 627,000 people were out of work at the end of October.

Budapest continues to have the lowest unemployment rate—5.9 per cent—in the country, affecting 63,000 people. The 70,000 jobless in the northern Borsod county account for a rate of nearly 18 per cent.

At the end of 1991, 406,000 Hungarians were unemployed. This figure is expected to rise to over 650,000 by the end of this year.

### Gabcikovo Causes Drop in Danube Water Supply

*LD1711143392 Budapest MTI in English 1404 GMT 17 Nov 92*

[Text] Budapest, November 17 (MTI)—Due to the Gabcikovo power plant's operation, barely one-fifth of the Danube's natural water volume is flowing from Slovakia to Hungary, Hungarian Foreign Affairs Spokesman Janos Herman said at a briefing on Tuesday [17 November].

Herman recalled an international agreement signed by the Czechoslovak side in London on 28 October under which it agreed to allow the full former water volume of the Danube, but at least 95-98 per cent of it, back to Hungary.

According to Hungarian experts, measurements, over the past two weeks, a mere 14-16 per cent of the river's former water volume has flowed back to the natural river bed from the artificial canal built on Slovak territory.

The Czechoslovak side thus continuously violates the agreement the sides laid down in a protocol in London on 28 October, Herman said. Due to the lower water volume, damaging effects of the Danube diversion are already manifest, he added. Lawyers of Czechoslovakia and Hungary are to meet in Prague on 19-20 November to word the questions to be jointly forwarded to the International Court of Justice. A Czechoslovak-Hungarian-EC expert committee has been holding a session in Budapest since Monday, and are to continue the work in Brussels on 27 November, Herman reported.

Czechoslovakia and Hungary concluded an agreement on the barrage which was to be built on the joint Danube section and on power plants to be constructed on Hungarian and Slovak territory in 1977. Studies on the biological and environmental hazards of the project, however, turned nearly the whole of Hungarian society against it. In 1989, the government of the time halted the construction on the Hungarian side. The new democratic government continued to seek agreement with Slovakia, to prevent the diversion of the Danube, a border river, a step jeopardizing Hungary's freshwater supplies and turning considerable areas into marshland. As the efforts bore no fruit, Budapest terminated the 1977 agreement. The work, however, was speeded up on the Slovak side. The Gabcikovo plant was completed and the Danube diverted into an artificial canal late this October.

### Czechoslovak Offer of More Danube Water Rejected

*LD1711224892 Budapest Kossuth Radio Network in Hungarian 1900 GMT 17 Nov 92*

[Text] Czechoslovakia has promised to allow more water into the Danube riverbed at Dunacsuny [Cunovo] in the Szigetkoez [as heard]. At the Budapest meeting of the Hungarian-Czechoslovak Border Committee, the way in which this could be carried out technically was not discussed; therefore, the Hungarian delegation did not approve the offer.

For example, the water from the sluice with 20 locks would reach the original Danube riverbed, not in the bed itself but on the flooded area. A state secretary said that they have no knowledge about the building of the by-canal [atvezetoe meder] needed for this. According to Zsolt Rajkai, the construction of the Gabcikovo [Boes] power station was illegal, among other reasons, because the Slovak side did not announce in advance that they were preparing for actions that ran counter to the joint border agreement.

### Customs Cooperation Pact With Bulgaria Signed

*LD1711131592 Budapest MTI in English 1148 GMT 17 Nov 92*

[Text] Budapest, November 17 (MTI)—A cooperation agreement enforcing the UN embargo against Serbia and Montenegro was signed in Budapest on Tuesday [17 November] by the director of Bulgaria's custom authority and the national commander of Hungary's custom and excise office. They later said that cooperation is based on exchanges of information on all consignments under embargo.

The Bulgarian director said the agreement would permit a more effective check of transit deliveries, the most sensitive point in having the sanctions observed. He told MTI that the Bulgarian customs authorities were prepared to tighten their control on shipping on the Danube, mainly that travelling upstream, and regardless of the ships, nationality.

### Customs Chief on Effectiveness of FRY Sanctions

*LD1811003492 Budapest Kossuth Radio Network in Hungarian 1730 GMT 17 Nov 92*

[Interview with Mihaly Arnold, commander of the Customs and Excise Guard, by Julia Szamado; place and date not given—recorded]

[Excerpts] An agreement on cooperation on the enforcement of the embargo against the rump Yugoslavia was signed today in Budapest by Mihaly Arnold, national commander of the Customs and Excise Guard, with his Bulgarian counterpart. Julia Szamado interviewed him.

[Begin recording] [Szamado] Newer tightening of sanctions against the rump Yugoslavia has been introduced by the United Nations. A monitoring committee is watching whether these sanctions are observed. What is Hungary's role in seeing that these various sanctions are observed?

[Arnold] The role of the Hungarian Customs authorities is manifested in the fact that Yugoslavia is our direct neighbor, and we and other neighboring countries are directly affected by the losses due to the embargo and the commitments to enforce sanctions. The United Nations and the EC have resolved the big question of who controls the controllers. Missions have been set up in Bulgaria, Romania, and Hungary to check the effectiveness of the controls and they are in direct connection with each other. That is why at a customs meeting—not convened for this purpose—we came to agreement on an agenda with Yugoslavia's other direct neighbor, with whom we have no common border.

[Szamado] What is the main point of the agreement?

[Arnold] The Hungarian and the Bulgarian customs authorities will inform each other about every detail related to the violation of the embargo, with special regard to transit shipments and transit products. [passage omitted] This agreement will be effective during the embargo, until its withdrawal by the United Nations, and it is valid within the customs borders of the two countries. Practically, it means that if a transit shipment leaves from Hungary with a stated Bulgarian destination via the rump Yugoslavia, we will inform the Bulgarian customs authorities about this shipment. They can check whether it has actually arrived, and if not, then we will be

able to take the necessary measures against the Hungarian exporter. [passage omitted] We have seen faked certificates of origin, faked bills of freight, with the faked designation of the country of origin, even totally repainted and transformed freight vehicles and trucks.

[Szamado] At yesterday's news conference at the Ministry of International Economic Relations, it was said that food and medicine is allowed to be transported to Bosnia-Hercegovina and Serbia. This makes the work of the controlling authorities also more difficult.

[Arnold] From the very first moment of the embargo the government commission and the United Nations announced that humanitarian aspects should be taken into account by the embargo. [passage omitted]

[Szamado] Taking all these things into account, what is actually helping the observance of the UN embargo?

[Arnold] The effectiveness of the control is facilitated; thus, the control that was not possible before, at the moment when a shipment left the country, we knew nothing about it, if it was designated as transit. This is not the case any more. If the shipment does not arrive at its destination....[pauses] Suppose there is a consignment for a consignee in Var na, an energy carrier or anything else, if it does not enter the border at Dimitrovgrad, then we will search for the Hungarian sender, and the necessary measures will be taken against it.

[Szamado] To what extent does it make more difficult the job of the controlling authorities that it is not allowed to deliver to Serbia and Bosnia-Hercegovina via Macedonia ?

[Arnold] Well, we are not in an easy situation, as I have said it several times, since the moment the authorities have the opportunity for consideration, the effectiveness of control is impaired. Actually, during the examinations not the formalities, but the contents matter, involving everything from the control of documents to the control of vehicles.

[Szamado] The fact that passenger traffic continues provides a possibility for the embargo to be violated.

[Arnold] Look, this is a very interesting question. The other day somebody asked me what I wish to do in order that Hungarian citizens not travel to Serbia, to the rump Yugoslavia, with full gas tanks and then siphon off the fuel and sell it—40 or 50 liters, depending on the size of one's tank—and then return to the country with bone-dry tanks and start again. My organization and I have not yet reached the point where we can control the fuel, the amount of fuel, in tanks. But I emphasize that neither do we have an opportunity for this in legal regulations. [passage omitted]

[Szamado] [passage omitted] What danger would threaten the country if we did not fulfill the commitments we have undertaken?

[Arnold] As for what danger might threaten the country, I cannot predict that now, I cannot foretell it, since I am not a prophet. As a matter of fact we, the Hungarian customs authority, have a single aim: to carry out the government's decisions. And the Hungarian government has identified with the UN embargo. If we do not fulfill this then we are bad officials. That is one thing. And the other is that the government would lose the trust of the United Nations. [passage omitted]

### Ethnic Serbs Call for Cultural Autonomy

*AU1711122192 Budapest MTI in English 1812 GMT 15 Nov 92*

[Text] Budapest, 15 Nov (MTI)—Hungary's ethnic Serbs are entitled to a parliamentary mandate, which means an MP representing the 5,000-strong minority will sit in the National Assembly after the 1994 general elections, participants of a Serb Democratic Federation assembly said on Sunday [15 November].

The assembly was held in Rackeve, near Budapest, over the weekend.

Although ethnic Serbs are equal citizens of the communities they live in, the institutional conditions for preserving their national identity are missing. To help change that, from now on, the federation is to allocate a larger part of the state support it receives to step up the cultural activity of local branches.

According to the assembly, a primary task is to improve the teaching of the mother tongue and other spheres of education.

So far, Budapest had one Serbo-Croat school but that is to split now. The government and the Budapest Municipal Council have agreed to guarantee financial and organizational conditions for the independent Serb School's operation. Work in the Serb School is to start next September.

In addition, the assembly pressed for the return of former properties of the Serb Orthodox Church.

Also, they discussed the minority bill, currently on the table in parliament. The Serb Democratic Federation wants to introduce amendments to give ethnic Serbs a say in local councils, work and to give local cultural institutes institutional status so that they can operate under more favourable financial conditions.

## Onyszkiewicz Satisfied With U.S. Defense Talks

*LD1611232192 Warsaw PAP in English 2302 GMT 16 Nov 92*

[Text] Washington, Nov. 16—Minister of National Defense Janusz Onyszkiewicz ended Monday [16 November] his week-long official visit to the United States much impressed by what he termed as "unusual openness of the American side and its readiness for military cooperation with Poland."

The most important specific result of the visit, which included trips to U.S. strategic missile sites in Wyoming, is an agreement on the scope and date of the first session of a bilateral working group for military cooperation. The group will hold its first meeting in Warsaw on December 9 and 10.

"I think that our military cooperation will rapidly develop as a result of this forthcoming meeting," Onyszkiewicz told reporters in Washington.

In talks with Bush Administration members, including the Secretary of Defense Richard Cheney, and with politicians of the Democratic Party Onyszkiewicz put strong emphasis on the need of a continuing strong U.S. military presence in Europe.

The Polish minister told reporters Monday that what he had heard from the democratic politicians on the subject of future American policy towards East-Central Europe "satisfied him fully."

A member of the delegation accompanying the minister, General Adam Tylus, described their visit to the strategic missile site in Wyoming, commenting that he "saw nothing comparable in the former USSR or had a chance to see. I did not see anything like that because we were not trusted," said the general.

The Polish delegation also visited the NORAD command in Colorado.

## Polls Shows Americans Most Popular Nationality

*AU1711104492 Warsaw RZECZPOSPOLITA in Polish 13 Nov 92 p 2*

[Report by 'R.W.': "From the Americans to the Gypsies"]

[Text] We like the Americans, the French, and the Italians. We dislike the Gypsies, the Ukrainians, and the Romanians. Most nations arouse a feeling of indifference in us. An opinion poll on our attitudes toward different nations and states was conducted by the Center for Public Opinion Research [OBOP].

Positive feelings are prompted in us by nations that are "traditionally" considered Poland's allies and are, as a rule, located far away from us, although we are now significantly more critical toward them than we were a year ago. Our fondness for the Americans has fallen from 69 to 58 percent, from 61 to 55 percent in the case of the French, from 59 to 50 percent in the case of the Italians, and from 50 to 41 percent in the case of the English.

We are much less favorably disposed toward those peoples that have started seeking shelter in Poland over the past few months, for whom Poland has become "the West," and a transit point on the way to other countries. Our dislike of them is on a level close to what it was a year ago, and in the case of Romanians, Lithuanians, and Jews, it has grown somewhat. If one is to believe the results of the poll, then the nations surrounding us are not amicably disposed toward us and there are at least several borders separating us from potential allies. The exception are the Czechs, to whom we feel increasingly less dislike than a year ago (16 percent in 1991, and 9 percent this year).

As for those states that are amicably disposed toward Poland, according to those polled, we can count most on the United States (67 percent), France (64 percent), Italy, Hungary, and Great Britain. It is felt that our country is disliked (polls would indicate that the feelings are mutual) by Germany (so say 37 percent of Poles), Ukraine (35 percent), Lithuania (33 percent), and Cuba (26 percent).

The OBOP poll was conducted on 12 and 13 November and was based on a random, representative sample of the country's inhabitants. Of the projected 1,500 sample, interviews were conducted with 1,317 persons. The statistical margin of error was plus or minus 2.7 percent.

## President Signs 'Small Constitution'

*LD1711191492 Warsaw Third Program Radio Network in Polish 1800 GMT 17 Nov 92*

[Text] President Lech Walesa signed the Small Constitution immediately after learning of the Constitutional Tribunal's ruling on the compliance of the changes to the Sejm's statute with the Basic Law, Minister Lech Falandysz, from the Presidential Chancellery, has informed us:

[Begin recording] Walesa was prepared for such a development of events—that is, he considered the possibility of such a ruling—which is why his reaction was rapid. The reason for the speed of the reaction is that he does not want to waste a moment in making the Small Constitution readily accessible to those bodies that are primarily interested in it, which gain the most in the division of power made there, and, above all, the government. The government gains the right to request decrees having the power of law, something totally unknown in our constitutional practice, at least in recent times, since World War II. Thus, in any event, he did not want to lose any time in conveying this constitution for use by those bodies that were most anxious to obtain it—that is, the government and the Sejm, whose position is also strengthened. At the same time, he expects that they will demonstrate in practice that the Small Constitution is necessary and desirable and that it will improve

both their functioning and, above all, the effectiveness of their activities. [end recording]

### Main Points Detailed

*LD1711204292 Warsaw TVP Television First Program Network in Polish 1830 GMT 17 Nov 92*

[Excerpts] The president has signed the Small Constitution. Lech Walesa signed the interim constitution when he heard that the Constitutional Tribunal had no reservations about the way it was passed. The Tribunal judged that the Sejm had passed the Senate amendments to the Small Constitution in accordance with the law.

The Small Constitution introduces a parliamentary-presidential system. It defines the powers and relationship between parliament, the president, and the government. This is to ensure more efficient work by the supreme organs of state and to guarantee that no conflicts arise among them.

The government will gain the most after the Small Constitution comes into force. The Council of Ministers will be able to ask the Sejm to examine important bills urgently. The government will also get the right to issue decrees with the power of law. Under the new regulations governing the appointment of a government, the president will lose the right to put forward a motion to dismiss the Council of Ministers.

The president's chancellery was critical of the Small Constitution; even so, the president signed it immediately after the Constitutional Tribunal's verdict that it was legally passed was made known. [passage omitted]

Opponents of a strong presidency think the Small Constitution excessively strengthens the president's position and do not appreciate that it is the result of a political compromise.

### Principles of Security Policy Published

*AU1811104892 Warsaw POLSKA ZBROJNA in Polish 13-15 Nov 92 p 4*

["Principles of Polish Security Policy" issued by President Lech Walesa on 2 November 1992]

[Text]

#### 1. General Precepts

The modern meaning of the concept of state security covers both political and military issues, as well as economic, ecological, social, and ethnic aspects. In each of these categories, Polish security policy conforms to international law, especially the law of the United Nations, the provisions and decisions of the CSCE, and bilateral and multilateral agreements to which Poland is party.

The Republic of Poland considers its borders inviolable and makes no territorial claims against any of its neighbors. It respects the sovereignty of other states and dispenses with the use of force, together with the threat of force, in bilateral relations with other states. In particular, Poland wishes to cooperate closely with its neighboring countries.

#### 2. Integration With Western Europe

Poland's future membership in the EC is of fundamental importance for our country. Political motives and objectives are also geared toward economic integration with the West. We treat association with the EC as the first step toward full membership in the shortest possible time in the EC or the future European Union that will emerge in place of the EC. This is a difficult task, requiring many adaptations and consistent joint activity by the whole of society.

We may overcome our social backwardness and become an equal partner for the developing countries only by including Poland quickly and effectively in the process of West European economic and political integration. Voluntary isolation and a failure to utilize rapid chances of development would eventually inevitably push the Polish economy onto the sidelines and impoverish society, resulting in the likelihood of a loss of freedom and sovereignty. Links with the EC will facilitate, and membership thereof will determine, our membership in NATO, should this membership not occur sooner.

#### 3. The International System of Security

The political-military factor continues to be the main determinant of relations between European nations since the fall of the Soviet empire. Poland is seeking links with existing defense alliances and security systems, and is aiming to consolidate these structures.

Recognizing that NATO remains the basic factor of political stability and peace in Europe, Poland particularly values the Euro-Atlantic nature of this alliance and supports the presence of American forces on our continent. Poland's strategic objective in the 1990's is membership in NATO and in the WEU [Western European Union] as NATO's European branch and a major component of the European system of collective security. At present we are expanding our relations with NATO primarily via the North Atlantic Cooperation Council. Our country's future membership in NATO will have a favorable effect on Polish- German and Polish-Russian relations.

Poland is cooperating with the CSCE. The CSCE lays down the principles of relations between states. It creates the framework for preventing and resolving conflicts, encourages the reduction and control of armaments, and permits the formation of military peace missions.

The participation of Polish Armed Forces in UN peace missions remains and will remain our contribution to the consolidation of international security.

**4. New Regional Cooperation**

The disintegration of the USSR and the emergence, apart from Russia, of new independent states, especially Ukraine, has created the chance of a permanent increase in security in Eastern Europe. However, right now this region is politically unstable. The area still contains a considerable military potential. The likelihood of local conflicts constitutes a serious danger. Should such conflicts occur, they could spread to Poland. Armed conflicts may cause a giant wave of refugees from the East, which would endanger our security, and may also restrict or cut off supplies of strategic raw materials.

Poland's cooperation with Ukraine, Russia, and Belarus on the basis of bilateral treaties that have been concluded serves to reduce these dangers. This cooperation covers the economic sphere as well as the security sphere, including some military matters.

Poland's developing cooperation with Hungary and the CSFR—and soon with the Czech lands and Slovakia in place of the CSFR—also serves to reduce the aforementioned dangers. Regardless of the direction that the political changes among our southern neighbors take, we ourselves are aiming toward cooperation within the Visegrad group. This setup is not a military alliance, but it does perpetuate a feeling of security and stability in the region.

Poland wishes the countries in Central and Eastern Europe to be included in the Euro-Atlantic security system. We encourage the new states of this region to establish links with Western countries and adapt their structures to democratic standards.

**5. Defense**

Poland possesses its own military potential and national defense system. We are determined to defend our sovereignty and territorial integrity, and to counteract any aggression. At present we are carrying out far-reaching changes, adapting our defense structures to the needs of the sovereign, medium-size European country that Poland is. Armed forces constantly ready for combat duties and war operations are a fundamental part of the defense system.

Should a local conflict infringe upon our territory, we will immediately undertake military action in order to halt and disperse the enemy. In principle, Poland should do this alone, but it may be necessary to make use of political and material help from other countries. Should a war break out that exceeds the dimensions of a local conflict, the strategy of the Polish Armed Forces will be to offer armed resistance as long as possible in order to prevent an invasion, by causing the aggressor maximum losses, displaying a defense determination, and playing for time to enable other countries and international institutions to react.

Poland perceives no threat in any existing country. Our Armed Forces are deployed more or less uniformly all over the country in order to offset an attack from any direction. The size of the army and basic weapons arsenal is in keeping with the international commitments Poland has accepted, which also apply to our neighbors. The Republic's army consists of soldiers undergoing compulsory military service and professional soldiers, whose proportion in relation to total manpower will gradually increase. This guarantees a professional, and at the same time a civic, nature to the Armed Forces, and ensures a suitable number of trained reservists in the event of mobilization.

**6. Domestic Security**

The radical political changes in Poland are inevitably causing a temporary increase in the danger of domestic threats. These are not military dangers, but political and socioeconomic ones, yet they nevertheless weaken the country's structure and make it more susceptible to foreign pressure. The effects of the collapse of the so-called socialist economy and the inevitable social cost involved in converting to a market economy—especially unemployment—are leading to frustration, emigration, crime, and other pathological social phenomena. The situation is exacerbated by dangers caused by the escalating damage to the environment.

The basic way to reduce the negative effects of these phenomena is to shorten the period of transition. The success of the changes being carried out largely depends on the success of the process of privatization and the administrative reform that is meant to strengthen the structure of state government and raise the effectiveness of law enforcement bodies.

Lech Walesa, Warsaw, 2 November 1992.

## Vacaroiu Presents New Government Program

*AU1711152392 Bucharest DIMINEATA in Romanian 14-15 Nov 92 pp 1, 3*

["Government Program" presented by Prime Minister-Designate Nicolae Vacaroiu in Parliament on 13 November]

[Text] Messrs. Presidents of the Chambers of Parliament, Ladies and Gentlemen, Esteemed Guests:

I am honored to be here today. At the start of this new legislature, allow me to express the conviction that, in accordance with the trust the electorate has placed in it, in all its work Parliament will fulfill the basic choice of our people radically to change the configuration of Romanian society, place all economic and social structures on totally new foundations, promote democracy, and introduce and generally apply market economy mechanisms. Let us not forget that this historic choice was basically made possible by the December 1989 revolution in Romania.

We come before you to submit for your discussion and approval a government program subordinated to these targets as well as the composition of the new government team. In accordance with the constitution and the results of the September 1992 elections, our proposals are mainly based on the program of the Democratic National Salvation Front [FDSN].

At the same time, in the drafting and operational implementation of the government program, we took into account a number of features of the current situation in the country and the major parameters of the overall transition process. We took into consideration: the experience to date in deciphering the unknown elements of the transition; the theoretical and functional execution of projects of national interest, which are also present in the platforms of the main political parties; the development of appropriate ownership structures, in keeping with these interests; and above all, the ever growing need for these interests to be reflected in the motivation and behavior of businesses, social and professional groups, and the population.

Recalling this experience, we must also bear in mind the key long-term domestic and foreign limitations within which any program will come to life.

We are talking about the effects of the economic decline, the cost of transition, the relative and long-term interval before the new mechanisms and institutions produce the expected positive results, and last but not least our often distorted image abroad.

Therefore, as shown by the commitments publicly assumed by the representative bodies, the government has a duty to promote a program for the new transition stage in which the reform, economic mechanisms, and the laws and institutions of the new structures function in a coherent and synchronized way, which can really lead to beneficial results for the population.

Hence, the great responsibility that rests on us and the duty to tackle the many complicated problems of this stage, some inherited and others that may come up along the way.

The density of these problems per unit of time in the calender of the forthcoming four years of government is quite high and it requires a strict alignment on a priority scale, on the basis of appropriate corroboration analyses and a broad dialogue with all the economic and social factors involved. In this respect, the program sets out from the most profound realities of our country's current economic and social situation and presupposes short- and medium-term measures to achieve the targets.

Thus, against the background of economic policies capable of creating the necessary premises for continuing the liberalization and democratization of economic life, we are obliged to take immediate action, through measures specific to the current stage of development of the market economy in Romania, to solve the problems of the coming winter and of 1993, which will be a difficult but vital year for the success of our overall policy of creating an efficient and profitable market economy for all groups of society.

### I. The Current Stage of the Economy

In the past two and a half years, Romanian society has experienced profound economic and social changes; the economic reform measures have encompassed practically all spheres of activity; the choice of the market economy enjoys a general consensus and is clearly irreversible.

At the same time, as you well know, the complex and novel process of transition to the market economy involved great difficulties and hardships in all East European countries, all the more so in Romania, where the paralyzing effects of the supracentralized management system and the structural imbalance inherited from the old regime were particularly strong.

The rapid removal of the old structures of the command economy without their being replaced with new institutions and mechanisms of the market economy, the inadequate coordination of the steps taken in various sectors and spheres of activity, the inadequate adaptation of businesses to market conditions, the temporary disruption of the economic flow, the failure to withstand the pressure of economically unjustified pay claims, the deterioration in work discipline, the effects of the rapid devaluation of the leu, and the unfavorable foreign circumstances are just a few of the things that account for the fact that the positive effects of reforms have not been felt in the real economy, something which has further accentuated the phenomena of crisis in Romania.

In this respect, one should primarily point out that the fall in production has been sharp and is continuing. Thus, it is estimated that the gross domestic product this

year will be more than 16 percent lower than in 1991, accounting for less than 67 percent of the level registered in 1989.

In this first nine months of the current year, industrial production fell 23.5 percent compared with the same period in 1991, which, in turn, was 41 percent below 1989 achievements; the largest negative rates of industrial production were registered in sectors that are big consumers of imported raw materials and energy as well as in those closely linked to investment and export activities, where demand has fallen sharply.

In agriculture, this year's production is lower than in 1989 as follows: almost 60 percent for wheat and rye; some 18 percent for maize; 61 percent for sugar beet; and more than 37 percent for potatoes. The level of livestock and the animal breeding output have also decreased substantially. All this has had an unfavorable impact on the creation of the state inventory and on supplies of agricultural and food products for the public.

The economic and financial activity of businesses is strongly affected by the reappearance of the financial blockage. With the reappearance of that blockage, the phenomenon of inventory being immobilized has also increased. It is worth pointing out that, at the end of last September, the immobilization of the inventory of finished products amounted to 463 billion lei, compared with 260 billion lei at the start of the year.

The drop in production and its efficiency parameters and the sharp devaluation of the national currency have generated a strong inflation. Compared with October 1990, wholesale prices were almost 11.2 times higher in June 1992 and consumer prices were 9.4 times higher in September this year. In the first nine months of the current year—mainly as a result of devaluation of the leu and the removal of part of the subsidies on consumer products—inflation ranged between 19.5 percent in January and 3.2 percent in July; in September it was 10.1 percent.

Given the price liberalization and the inflationary phenomena, moves to protect the population's incomes were identified through dialogue with the trade unions and the employers. Eight salary indexations and compensation payments were granted from 1 November 1990 to date, so that the minimum net monthly nominal salary went up from 2,000 lei to 10,721 lei and the average net nominal salary from 3,414 to 23,306 lei; at the same time, compensations and indexations were applied to all categories of pensions.

After several improvements in 1990, the population's living standard declined. The average real salary in September was 27.7 percent lower than in October 1990 and the average real pension was 26.5 percent lower. In the first nine months of this year, retail sales dropped 9.3 percent and commercial services for the population went down by 7.3 percent compared with the corresponding period in 1991, in comparable price conditions.

The difficulties encountered in making production units operate at full capacity, the promotion of a restricted investment activity, and the elimination of redundant labor from a number of sectors has led to a rapid growth in the number of people in search of a job, particularly in the past one and a half years; late in October this year, the number of unemployed reached about 940,000, that is 8.5 percent of the active civilian population.

The reduction in the offer of exported Romanian products, as a result of the fall in industrial production, the collapse of some of our traditional outlets, and the unfavorable world economic situation has led to a substantial reduction in Romania's foreign economic relations.

In 1991, compared with 1989, export volume dropped roughly by 45 percent and imports decreased by approximately 18 percent. In spite of difficulties encountered in the first nine months of this year, exports in convertible currency increased 25.9 percent compared with the same period last year and imports remained at the same level; the relevant balance of trade continued to register a deficit (about $650,000,000 in the first nine months). It is worthwhile mentioning that in the July-September period, the hard currency balance of trade registered a more than $1 billion surplus.

Romania's foreign public debt on 30 September 1992 was $3.8 billion (including that endorsed by unused credits), of which 76 percent represent credits contracted directly by the state and 24 percent credits contracted by economic units and guaranteed by the state. One should point out that, of the credits contracted by the state (total worth some $2.9 billion), 91 percent were allocated for meeting the economy's and population's current consumption requirements, and only 9 percent for development.

The government, the main political formations, research units in higher education, and specialists from various other areas have made a number of studies on the development of the Romanian economy after 1989. There is a great variety of opinions about the direction in which to focus attention in order to stop the crisis and relaunch the economy.

The new government is determined to deepen these studies and to lend them a systematic and complex character in order to corroborate a detailed government program for the immediate period and the coming four years. We are convinced that, through dialogue with the political parties, trade unions, and with the support of parliament, we will be able to rally the efforts needed to make good use of the entire potential available in Romanian society to overcome the great difficulties of the transition process.

### II. Program for the 1992-93 Winter

Our government's short-term priority is to get through the 1992-93 winter with normal conditions, applying measures to ensure the direct involvement of all businesses, government institutions, and local authorities to ensure supplies of basic foodstuffs, fuels, electrical and thermal energy, as well

as the energy resources needed for the operation of businesses and social establishments.

Within this framework, we must emphasize that to cope with the coming winter, the problem we face is to import additional energy resources, particularly crude oil, gases and fuel oil, for which we need $160-190 million per month. The government will work out the overall program to ensure energy for the economy in such a way that it is adjusted to the specific conditions of the winter; every week it will check how domestic production is being achieved and what imports of primary energy carriers are made.

The shortfall in grain production has led to great difficulties in providing the population with bakery products; thus we had to resort to imports. At this point, domestic wheat production and imported wheat cover the population's bread requirements until early January next year. In light of this situation, the government will speed up the completion of negotiations for purchasing additional quantities of wheat from the stocks of domestic producers and it will see to the conclusion of new import contracts.

Similarly, the government will encourage the further expansion of areas sown to wheat, which, although larger than last year, namely 1.9 million hectares, are much below the 2.5 million hectares planned for 1992. By capitalizing on favorable weather conditions for expanding areas sown to wheat, increasing the quantity of chemical fertilizers and pesticides used, and appropriate measures to boost deliveries to state stocks, we will be able to create conditions so that we do not have to resort to wheat imports in the fall of 1993.

This year's domestic sunflower and soybean output will permit an increase in the supply of edible oil for public consumption. The great shortage of sugar, milk, and butter requires that the entire production process be reexamined to the last detail, namely retail sales, and it requires estimates for emergency import quotas.

To prevent a further decrease in the number of livestock and animal products, the government will work out and apply a package of measures to boost animal breeding, including through imports of grain fodder, protein feeds, vitamins, and other veterinary products.

Certainly, in all these cases we will resort to imports of agricultural products only after a careful examination of our domestic resources, so we can avoid spending our hard currency resources for daily needs.

In the period to come, the government will pay the closest attention to the social impact of the devaluation of the leu and partial cuts in subsidies. Bearing in mind that the devaluation and subsidy cuts will lead—during November and the beginning of December—to an increase in the prices of most consumer goods, including basic commodities, the government will make sure that the specialized body within the Ministry of Finance will directly supervise price negotiations, which are under way at this time, regarding staples for which there is no real market competition or which are in short supply.

At the same time, steps will be taken to assess the impact of price hikes on the population's real incomes. On this basis, beginning 1 November 1992, a new wage indexation will be introduced, a superior one to favor certain categories of people who are at a disadvantage. In this respect, the government will act in a spirit of complete openness, in the sense that it will disclose to the people what the real situation is and what steps are being taken to guarantee social protection.

Considering the impact of price and tariff changes, the government will submit to parliament a draft law for the amendment of the 1992 state budget.

### III. Government Program for 1993: Strategic Guidelines for the Period Up To 1996

1. In 1993, Romania's Government plans to continue structural reforms, to act to consolidate democratic processes and the transition to the market economy, while maintaining the inevitable social costs of the transition process at a reasonable level. For this purpose, the government will thoroughly examine the way in which various reform processes have taken place in the first two and a half years. The main objective of this examination is to identify malfunctions within the component subsystems of the reform, establish measures to eliminate them, improve the operation and efficiency of all economic structures, and ensure the strict application of laws—key conditions for ensuring the coherent operation of the entire socioeconomic system.

2. The main objective of the government's economic policy in 1993 is to considerably curb the production decline and to halt it in the latter half of the year by coordinating measures aimed at macroeconomic stability and the policy of structural adjustment. Similarly, action will be taken to prepare conditions for relaunching economic growth beginning in 1994. We are convinced that the only safe way out of the crisis is by increasing material production.

In industry, we have urgently to adjust those sectors that are heavy energy and raw material consumers in order to eliminate the serious imbalance that exists between consumption and available resources. This adjustment should not affect the normal operation of the economy on the whole and should be combined with special programs for social protection.

At the same time, action will be taken to prepare the gradual transition to structural adjustments per sector. This requires short- and medium-term measures to capitalize on the relative advantages of the Romanian economy (human capital, natural resources, tradition, trade outlets). As a result of these structural adjustments,

which will be encouraged by financial and credit instruments and even through the state's direct participation in investment projects, the proportions between branches will change and the process of the international specialization of the Romanian economy will begin.

The process of structural adjustment will take place at the same time as the restructuring of existing productive units on the basis of such criteria as profitability, an improvement in meeting domestic consumption needs, orientation toward exports, cuts in raw material consumption, and environmental protection. As for the microeconomic structure, we have to bear in mind the nature of the various categories of enterprises: Large technological systems; large enterprises that are not competitive or are facing major technological and organizational problems; and small- and medium-size enterprises with flexible production structures that are thus readily adaptable to market requirements.

To achieve microeconomic restructuring, the government plans to introduce—as a compulsory measure for both public corporations [Regii autonome] and trading companies that are entirely or mostly state-owned—a management contract for a limited term that will stipulate performance criteria and specific responsibilities.

The government will take action to relaunch the investment process by placing emphasis on encouraging trading companies, public corporations, and private entrepreneurs, through specific instruments of the market economy, to use their own resources for restructuring existing units, and especially for setting up new trading companies.

The measures for changing the structure of industrial production, retooling it, and preparing and relaunching economic growth will be set out in the "Overall Program for Economic Restructuring and Development" and will be supported by the funds derived, according to the law, from the dividends the state as owner is entitled to and from the sale of state stocks and assets.

In agriculture, the government will ensure conditions to enable us to capitalize on the potential available in this area in our country. Through specific measures—preferential financing, credits at favorable interest rates, legislation of farm credits and leases—the government will support the new ownership structures in agriculture, the cultivation of crops, and the development of animal breeding. We will examine the possibilities of introducing an appropriate system of early loans at preferential interest rates to be given directly to farmers to enable them to purchase seeds, chemical fertilizers, and farm machinery; these loans are to be paid back from the yields achieved.

This month steps will be taken to expedite the process of granting land ownership certificates, something that is essential for enhancing farmers' interest in increasing yields and efficiency.

Special attention will be paid to improving the infrastructure. For this purpose, we will see to the modernization and development of the physical infrastructure—motorways, highways, border crossing points, energy units, telecommunications, and so forth—and to the organization and restructuring of institutions and the effective integration in European and world structures.

In the course of 1993, unfinished investment projects, mostly begun before 1990, will be revised and a program will be established to reactivate them, either by selling them directly to interested companies or by selling assets. In order to complete the respective projects, even the intervention of the state will be considered.

As far as environmental protection is concerned, the government will establish a specific institutionalized framework to promote coherent policies that should include all aspects of economic problems.

3. At the current stage, when the mechanisms of the market economy are not yet being generally applied and are only partly functioning, the active presence of the state as an economic partner is necessary in the whole process of halting the production decline and relaunching economic growth.

Accordingly, the government will attempt to reduce the imbalances that occur in the period of transition and to maintain them within controllable and bearable limits. In the case of some products that make it possible to meet the major needs of the national economy, the government will examine the establishment of a system of government orders and contracts in which the state intervenes as a competitor buyer in the market. At the same time, the government will strengthen control over the way in which state property is administered, in conditions of managerial autonomy of enterprises.

4. The government will continue work to update the financial system, improve fiscal policy, and strengthen financial discipline; measures will be taken to maintain expenditures within the actual possibilities of the state's incomes, as well as to finance the budget deficit through noninflationary means.

In planning the state budget for 1993, we will bear in mind the forecasts for the major indicators that will characterize the Romanian economy next year and social protection actions will be continued. Likewise, the projection of the state budget for 1993 will be drawn up in such a way as not to increase fiscal burdens, a measure that is intended to stimulate business and provide for social protection of the population, who bear most of the taxes levied in the budget.

The government proposes that, starting 1 January 1993, value-added tax should be introduced to replace the goods turnover tax, which is a safe and constant source of income for the budget and marks Romania's association with European fiscal standards. Likewise, we will more intensely prepare the juridical and organizational framework to introduce the tax on natural persons'

global incomes. The current profit tax system will be improved in order to encourage investment and exports.

Likewise, the projection of the state budget envisages increasing the financial autonomy of public local authorities in 1993, by making them rely on their own resources. Their budgets will include some revenues that currently go to the state budget.

Proceeding from the reality that the financial blockage is a complex phenomenon of a structural, economic, and organizational nature and realizing its objective and subjective causes as well as its effects, the government intends to approach it directly both by improving the existing legal and methodological framework as well as by action to ensure adequate capital, in a selective way, to those enterprises that have been assigned as the main executors of restructuring studies in various sectors of the economy. In order to put an end to arrears and settle the financial blockage, we will intensify the control of payments to public corporations, commercial companies, and other businesses that are entirely or mostly state-owned. Likewise, legal measures will be taken to ensure more rigorous observance of contract obligations between suppliers and end-users.

In accordance with the established program, starting with 1 May 1993, the last subsidies on products and services to the population will be eliminated, while ensuring adequate social protection measures.

While maintaining monetary and fiscal restrictions, the increase in the price of consumer goods will be slowed down as of the second half of 1993, and the annual rate of inflation will be cut down to some 40 percent, which is one of the basic objectives for next year. Parallel with measure to combat inflation phenomena and correlated with the inflation rate, premises will be created as early as the first half of the next year to gradually reduce the interest rate level.

Next year we will continue the process of restructuring and developing the existing banking system, establishing new banks and financial institutions, organizing the stock exchange and complementary institutions, and introducing new payment and credit instruments. Measures will be taken to encourage banks to grant medium- and long-term loans, which should encourage investments and the development of new enterprises.

Bearing in mind the complex nature of the factors involved in the success of the reform, it is necessary to institutionalize the coordination of monetary and fiscal policy and monetary income between the government authorities and the National Bank of Romania.

5. The government will assess the current stage of privatization in our country and on this basis will adopt the necessary measures to speed up this essential process of the economic reform and the functioning of market mechanisms. Immediate measures will be taken to intensify privatization in commerce, tourism, and other services as well as of small-scale goods production, and the government will support private entrepreneurs in these sectors by granting them preferential credits and tax allowances on reinvested profits and profits on exports. The government will pay closer attention to the problems connected with the improvement of the organizational framework so that appropriate conditions are created for the more rapid progress of the large-scale privatization.

The government will work to simplify and improve the procedures for the registration and operation of commercial companies, in order to shorten procedures and reduce formalities, while ensuring fairness in business of private enterprises, commercial openness, and the declaration of real taxable incomes to state bodies.

Taking account of the essential role of foreign capital in the process of economic restructuring and development, the government will continue to encourage actions to attract foreign investment to Romania, and will duly improve the legislative and institutional framework to enhance investor confidence and increase investor safety in the Romanian economic climate.

6. One of the essential components of the government program is to maintain within tolerable limits the social cost entailed by the period of transition in Romania's specific conditions.

The action of resetting the correlation between production and labor productivity within normal efficiency parameters, at the same time as the action of redimensioning certain activities as a result of the structural adjustment process, industrial in particular, will inevitably bring about a decline in demand for manpower.

Parallel with this, on the basis of the public investment program and measures to encourage private investment, including the use of available unemployment funds, especially in agriculture, the food industry, tourism, services, and consumer goods production, new jobs will be created to absorb an increasing number of people from the unemployed or directly from those laid off in industry.

To ensure the greater professional mobility of the work force, in accordance with the future needs of the labor market, we, together with all social partners, will start as soon as possible to carry out a basic reorganization and step up professional training and retraining of the unemployed. Likewise, we will work out programs for retraining for different jobs those people who laid off as a result of restructured activities in certain branches or areas of the country.

Regarding salaries, we have prepared conclusions on the current stage and proposals for the mechanism we think should be applied in the coming period. Certainly, all this has to be discussed with the major social factors—the trade unions and employers—but, basically, our goal is to maintain a controlled relationship between pay and prices and more clearly to assert the mechanism of pay

negotiations at the level of companies and public corporations. Within this framework, the gross minimum basic salary at a national level will be, just as it has been until now, indexed for a part of the price rise index and a relationship, previously agreed upon, with the average salary will be maintained.

The pay policy will pursue the objectives of creating an appropriate relationship between incomes and labor productivity, holding inflation on a declining course, and encouraging companies to create new jobs.

The government will examine ways to monitor price developments and endorse protection measures to avoid a situation in which people's real incomes fall.

The government believes it is necessary—as a priority issue—to ensure the adequate administration of the system of social insurance and state pensions for farmers as well. Within the resources of the state social insurance budget, the government will work to adjust the size of pensions and other insurance benefits, as is necessary, and will pay special attention to small pensions. The relationship between the number of pensioners and employees, between pensions and salaries, and between various categories of pensions will be constantly monitored and a pension compensation-indexation- increase system will be introduced that should ensure the best possible protection of the elderly.

The government plans to review the system of social assistance. Likewise, on the basis of broad consultations, we will work out and submit to Parliament the general principles and later the bills on the system of social insurance and pensions.

Proposals were advanced to parliament on ways to regulate child benefit in accordance with the provisions of the constitution. The government will take the necessary steps to implement measures in this area and provide the necessary financial resources.

The government regards the trade unions as its true social partners and as an essential element of the democratic system, playing an exceptionally important role in the process of transition toward the market economy. Concomitantly with the expansion of the privatization process, the Government-Unions-Employers [capitalized as published] triangle will gradually turn into the binaural system of Employers-Unions, with the government assuming the role of mediator.

7. Considering them as organic elements of the transition strategy, the government will stimulate the strengthening of the institutions dealing with education, research, culture, health care, and public order, and it will enhance the widening of the social dialogue and the development of institutions belonging to nongovernmental organizations and the civil society.

The government pursues the modernization and consolidation of the state-run education system, which is to be free of charge as far as compulsory education is concerned, and will tend to the establishment of a private instruction system, promoting the positive aspects reached in that sense; the government will also promote the general, institutional, and individual rehabilitation of the value of study meant to acquire knowledge, the raising of the prestige and quality of Romanian education, and its integration in the European and world circuit.

Scientific and technology research is to assume a specific role to suit economic reform, laying special emphasis on technology transfer—using the results obtained in that domain—on the raising of the level of its activity so as to meet international standards and on the promotion of innovations in all branches.

Youth-related issues call for a systematic approach involving education, professional specialization, social and labor integration, and protection against moral pollution and antisocial phenomena.

The government will take steps to protect genuine cultural values and the national cultural heritage, allocating financial resources to help outstanding cultural institutions by bolstering their inner capacity to adapt to new circumstances.

The government will take measures to ensure public access to medical care, to elaborate a suitable legal framework in that domain, and to restructure the entire health care system, including its financing and the establishment of private medical and pharmaceutical units.

The government will continue the process of democratization of the forces of the Ministry of Interior and it will promote the elaboration of an appropriate legal framework in that respect.

The current significance and importance of interethnic relations require that the issues related to ethnic minorities should be approached from the perspective of the diversity of ethnic communities and according to international standards.

The government proposes the consolidation of the Consultative Council for Minority Issues in Romania, as a joint governmental, parliamentary, and civil body, with clearly established attributions and competence, and endowed with necessary resources.

The government proposes to supplement legislation on governmental organizations and the establishment of a system of policy to stimulate especially those organizations operating in the social, educational, cultural, or other such domains from which the state will gradually withdraw.

8. Concerning Romania's international relations, the government considers the main goal of its foreign policy should be the backing of the economic reform and of the process of democratization of society.

The government is pursuing with priority the development of relations with the United States of America and the West European countries, as well as the consolidation of the already established ties with the European structures—the North Atlantic Treaty Organization, the West European Union, the European Community, and the Council of Europe.

In order to be able to achieve the long-term goal of Romania's integration in the European communities, the government proposes to set up a specialized body, commissioned to concentrate resources and actions to facilitate Romania's participation in the activity of European institutions, to formulate an integration concept, and to rediscover the European vocation of Romanian society.

A special place in the government's policy will be occupied by the special relationship with the Republic of Moldova, which aims to consolidate economic integration, continue the process of institutionalization of our further relations, and achieve the synchronous development of the legislations, labor markets, economic exchanges, cultural relations, and personal contacts.

The political shifts in Central and East Europe, the new opportunities that have opened with respect to trade, as well as the possibility to join new alliances have altered both the importance of that region as a whole and the significance of each and every state in that new strategic context. The government will participate in the setting up of certain political and economic subregional bodies, as well as in the establishment of certain national bodies and institutions designed to exploit the advantages that result from Romania's geostrategic position, including cooperation in that respect with countries situated on the Black Sea shore and on the banks of the Danube.

In that context, the government will continue to promote a policy of good neighborliness—based on the principles of international law—with all states in that region; at the same time it will sustain dynamic diplomatic activity aiming to politically settle the conflicts in adjacent areas, first of all the conflict in the Dniester region and the Yugoslav crisis.

The government will carry on with the policy of opening toward states on other continents, bearing in mind primarily the interests of Romania's economy, as well as the importance of cooperating with those states within international bodies.

Romania will actively participate in international cooperation with respect to human rights, including the rights of persons belonging to ethnic minority groups, and it will join international instruments elaborated for that purpose, especially those elaborated under the aegis of the Council of Europe; the government will further develop relations with Romanians living outside the borders of the country, with the purpose of benefiting from their willingness to support Romania's interests abroad and to back the transition process in Romania.

In the field of international economic cooperation, the government considers it a priority issue to promote the rapid expansion of exports by elaborating a complex augmentation program that will include tax and credit stimulating measures, in parallel with the implementation of a policy to protect national production and national commercial interests on the basis of a coherent system of instruments that comply with internationally accepted trading rules.

Concerning our policy on imports, the necessary energy resources and scarce agricultural products for 1993 are to be ensured by means of imports; our tax and pricing policy is to facilitate the access of our companies to high-performance equipment and technologies, which will yield positive results with respect to the restructuring and modernizing of our national economy.

Aiming to enlarge foreign economic relations, the government will play an active role in the work of international economic bodies, it will conclude negotiations with respect to the signing of the Accord on Romania's association with the EC and European Free Trade Association, it will enhance cooperation with the International Monetary Fund, the World Bank, the European Bank for Reconstruction and Development, and other financial and banking institutions.

Essentially, by means of the foreign policy it aims to pursue, the government proposes to consolidate internal stability, so that Romania can continue to act as a balancing factor in Central Europe, which is able to protect its interests in that zone and able to assume an international role commensurate with its natural, economic, and human potential.

The government will take measures to ensure the maintenance of the optimal defense capacity of the country, in parallel with the process of modernization of the structure, the drilling level, and the equipment of the armed forces. The elaboration of the concept of integrated national security is to be concluded on account of the current and expected development of the geopolitical situation while complying with the limits concerning the number of conventional weapons and troops stipulated by treaties signed by Romania.

Laying special emphasis on briefing the public, the government intends to develop a complex strategy to explain its policy, and that strategy requires the full support of Parliament and the media. We will ask the radio and television company to allocate sufficient air time for the government to periodically brief the public on its work, including issues related to the government's strategy, measures, conclusions, and results.

The responsibility of those governing during transition times is not confined to the construction of reform only, but also requires that the public should be made aware of the reasons that make reform necessary, of the rigors, costs, and benefits it involves.

Once these things have been made understood, the transparency of governing—along with observance of the standards of democratic conduct—becomes the most effective way to find dialogue partners and supporters of democratic policy.

An important resource for the consolidation of reform is to promote a positive image abroad. That image primarily depends on the real progress achieved in the process of democratization and in the transition to the market economy. Nevertheless, it is also important to allocate the necessary means to increase the quantity of our messages, diversify their content, and increase the correctness, timeliness and accuracy of the information we disseminate.

Esteemed Members of Parliament, the improvement of the legal framework of transition and the government's intention to take the legislative initiative in that sense is one of the major issues of the program I have presented, and I do not doubt that I will enjoy your support.

In the context of separation of power, communication between the legislative and executive bodies becomes an imperative issue.

Let me assure you that beyond my constitutional duty to regularly brief and report to Parliament, I will do my best to regard my contacts with this high institution as a fundamental support in fulfilling the executive's duties to the country.

## Daily Sees Vacaroiu's Cabinet as 'Step Backward'

*AU1811102592 Bucharest ROMANIA LIBERA in Romanian 14 Nov 92 p 2*

[Article by Gilda Lazar: "A Gray Government"]

[Text] Yesterday, at the palace on the Metropolitan Hill, before a presidium consisting of Oliviu Gherman, Adrian Nastase, and Corneliu Vadim Tudor (a bleak foreboding of the comeback of Nicolae Ceausescu's acolytes), with the old cabinet on his left and two rows of candidates on his right, prime minister designate Mr. Nicolae Vacaroiu asked for parliament's vote of confidence and read his "Government Program for the 1992-96 Period" (!?) and his list of government officials. Nobody expected Mr. Vacaroiu to display elocutionary talent, but he clearly left the impression that he was reading a report before the Grand National Assembly [the legislative body in Ceausescu's time] plenum. The stern and dusty aspect of his presentation (which he made with a hand in his pocket), on top of the gray aspect of the members of the new cabinet, only proved the Democratic National Salvation Front's sterility of ideas and personalities. Mr. Vacaroiu's speech, permeated not by spirit, but rather by activism, could symbolize the very death of rhetoric in Romania's Parliament: "the government will actively participate," "total transparence"—reminiscent of [Ceausescu's] "let us do everything possible," "we will take action," and so forth. In the meantime, blase parliamentarians were reading the newspapers, while the halls were invaded by smokers, be they deputies, senators, diplomats, or journalists. As for the "Program" itself, even its pompous title of "Government Program for the 1992-96 Period," when the document itself merely talks about a draft and refers to a future program that will be worked out in about three months, clearly shows the distance between pretensions and possibilities. The 19-page draft has three parts: The Current Stage of the Economy; Program for the 1992-93 Winter; and Government Program for 1993, Strategic Orientations for the Period up to 1996.

The presentation of the members of the new government, scheduled to function for the next four years, which caused even laughter among the parliamentarians present, began with a threat: "He who laughs last, laughs best!" The Ministry of Trade and Tourism was split into two ministries and the position of minister for liaison with parliament has reemerged; the Ministry of Waters, Forests, and Environment Protection was reorganized, while science was taken away from education and a separate Ministry of Research and Technology was created. Well, one organizes and disorganizes.... The government list reflects the change in the structure of the executive branch—not necessarily an "improvement"—which has been echeloned at two levels: the four ministers secretary of state, with a coordinating role, who clearly stand out from the rest of the team from a value viewpoint—it seems that this was the condition imposed by Mr. Vacaroiu on the FDSN [Democratic National Salvation Front]—and the 17 ministerial candidates, who largely derive from the second echelon of the current ministries and directorates, all of them FDSN members or proposed by that grouping. Are they politically committed? No way. They are rather committed to power! Therefore, they are opportunists. Because FDSN is not a party with a program-platform and an ideology; it is rather the fiefdom of the power holders. The new governmental offspring has serious congenital malformations: Academician Iulian Mincu, the inventor of Ceausescu's "rational nutrition" goes to the Health Ministry; Vasile Mois, the peasant-killing policeman will be in charge of liaison with Parliament; Petre Ninosu, FDSN member, therefore politically committed, is repaid for the zealousness with which he defended in court Mr. Iliescu's candidacy for the Senate by being named for the Ministry of Justice, where, according to the current law of judicial organization, only an independent should be appointed! Mr. [Mihai] Golu is rotated from the Ministry of Education to the Ministry of Culture, while Dan Mircea Popescu has been advanced to the position of state minister for his outstanding merits in social protection. Only five dignitaries from the previous government have been kept in the new team and, we beg to be forgiven for what we are about to say, they are not the brightest or the most capable ones either.

With Mr. Vacaroiu, we will visibly take a step backward compared with the previous cabinets. The new team, which was received with applause (Dan Mircea Popescu, Florin Georgescu, Teodor Melescanu, Andrei Chirica), with boos

(Vasile Mois), or with silence (the majority), awaits the parliamentary test. Next week, strings will be pulled and negotiations held behind the scenes, while joint sessions of the relevant parliamentary commissions will be arranged in public to verify the credentials of the candidates. We can only hope that they will fail that test....

## Roman Becomes New Head of Defense, Security

*AU1811085092 Bucharest COTIDIANUL in Romanian 12 Nov 92 p 4*

[ARPress report: "Mr. Roman Will Control the Romanian Intelligence Service"]

[Text] After discussions of the presidents of the Standing Commissions in the Assembly of Deputies, through a clever move the National Salvation Front [FSN] has succeeded in having Petre Roman appointed to the position of president of the commission in charge of defense, public order, and national security, so that in this way it can control the activity and the files of the Romanian Intelligence Service [SRI]. The FSN asked that people should be shifted between commissions, and this was accepted by the Assembly of Deputies. In this way, Mr. Victor Babiuc was moved from the commission in charge of defense, public order, and national security to the commission in charge of investigating abuses, corruption, and petitions; Mrs. Rada Istrate from the commission in charge of investigating abuses, corruption, and petitions to the commission in charge of culture; Mr. Mihaita Postolache from the commission in charge of culture to the commission in charge of foreign policy; and Mr. Petre Roman from the commission in charge of foreign policy to the commission in charge of defense, public order, and national security.

When the deputies realized the subtlety of this maneuver, they tried to reinterpret the regulation. The president of the Assembly of Deputies, Mr. Adrian Nastase, was the mediator and he said that "antipathies and sympathies should not be mixed with the political arrangements that we have discussed," thus easing a conflict that was threatening to take on serious proportions.

### Karadzic To Issue New Constitutional Proposal

*LD1711180492 Belgrade TANJUG in English 1705 GMT 17 Nov 92*

[Text] Belgrade, Nov 17 (TANJUG)—President of the Bosnia-Hercegovina Serb Republic Radovan Karadzic told TANJUG on Tuesday [17 November] that the Bosnian Serb delegation would on Tuesday come out with a modified proposal for the future constitutional organization of this war-battered former Yugoslav republic.

The proposal is a combination of the Lisbon document and a draft constitution proposed by the cochairmen of the Geneva conference on the former Yugoslavia, Cyrus Vance and Lord Owen, said Karadzic.

The Bosnian Serb leader said the Serb side would accept the instruments for the protection of human and minority rights proposed by Vance and Owen.

From the Lisbon document, we have taken over the position that ethnic entities are parties to the Bosnia-Hercegovina conflict, due to which division along ethnic lines had been accepted, said Karadzic and added that this was the essence of the new Serb proposal.

The three nations living in Bosnia-Hercegovina are Moslems, who account for 44 percent of the overall population, Serbs (32 percent) and Croats (17 percent).

Karadzic said the Bosnian Serb side envisaged the existence of three constituent states, but would also agree to the formation of more than three states. "As far as the Serbs are concerned, their part of Bosnia-Hercegovina will be organized as a single state," he explained.

Asked to comment on the insistence on division of Bosnia-Hercegovina along ethnic lines which Vance and Owen rejected in their draft, Karadzic shortly replied: "The cochairmen are here to help us, and not to enforce any solutions."

### Karadzic Calls UN Plan 'Unacceptable'

*AU1711213292 Belgrade RTB Television Network in Serbo-Croatian 1830 GMT 17 Nov 92*

[Interview with Radovan Karadzic, president of the Serbian Republic of Bosnia-Hercegovina, by an unidentified reporter in the Belgrade television studio; date not given—live]

[Text] [Reporter] Good evening, Dr. Karadzic!

[Karadzic] Good evening!

[Reporter] You have seen it. This new UN resolution consisting of 20 points has arrived via TANJUG, and I believe that your sources have received it, too. There are naturally plenty of references to Bosnia-Hercegovina. The first point calls upon all sides in Bosnia-Hercegovina to examine the principled draft constitution as the basis for negotiations on political solution to the conflict.

[Karadzic] This is a paper proposed by Marti Ahtisari [head of the Geneva Conference on Yugoslavia's working group on Bosnia], that is to say, Vance and Owen, cochairmen at the Geneva conference. We studied this document and found its basic principles unacceptable, as they deviate from the direction of the Lisbon document and of some London meetings prior to the London conference. We have taken some things from this document that could be accepted. Our draft document is ready and will be presented tomorrow. It represents a combination of the Lisbon document and the Geneva proposal by Vance and Owen. Therefore, this point does not worry us now. On the contrary, we accept it.

[Reporter] I will ask you to comment some other points. For example, it is stated that any conquest of territory by force or any sort of ethnic cleansing practice is considered to be illegal and unacceptable.

[Karadzic] Regarding ethnic cleansing, we must first say that ethnic cleansing as a state policy, or an element of a policy, was pursued by Pavelic's [head of the Independent State of Croatia during World War II] state and later by the new Croatian democracy after the 1990 elections. The Serbian policy in Bosnia-Hercegovina never entailed ethnic cleansing as its element. There were cases of people fleeing. However, some 350,000 Serbs have also fled their homes. We disputed the criticism of carrying out ethnic cleansing by the very fact that we accept that —once the political relations are resolved, borders established, and firm authorities created that would guarantee security to the citizens and their property—we would allow, that is to say, make it possible for all refugees to return to their homes. Therefore, there is no ethnic cleansing on the Serbian side.

[Reporter] How would you interpret ...

[Karadzic] The other point, what was the other point?

[Reporter] Seizing ...

[Karadzic] Oh, yes, seizing territories by force. Well, you see, it was us who proposed to Cutileiro and Carrington on 12 April that territories conquered by force could not be sanctioned, that is to say, could not be recognized. We are not worried by this. It was mostly the Serbian territories that we liberated. If we do hold some territories that are not Serbian, then this is for strategic purposes, and after the final political agreement we will definitely leave them to the ethnic communities to which they belong.

[Reporter] There is another statement, Dr. Karadzic, which, it seems to me, appears for the first time in official documents. Namely, it is stated that all sides in Bosnia-Hercegovina, especially the paramilitary forces of the Bosnian Serbs, which refuse to observe former resolutions and demands, are being condemned and that they and all other sides in the former Yugoslavia to

whom this refers must immediately fulfill their obligations envisaged by these resolutions. What is, in your opinion, meant by paramilitary formations of the Bosnian Serbs?

[Karadzic] I anticipate that this does not refer to our army, as it is a fact that in one of the subsequent points they accept the work of the mixed military working groups in Sarajevo, where they recognize our side as completely equal. Also, in all documents of the London and Geneva conference we are being referred to as a side in the conflict, as one of the warring sides. Therefore, not as a government or the rebels, but as a warring side. Thus, I believe that the paramilitary formations of the Serbs in Bosnia-Hercegovina are a product of propaganda and lies alleging that we have paramilitary formations that have supposedly arrived from Yugoslavia.

I can say that in the former Bosnia-Hercegovina, that is, in the Serbian regions, in the Serbian republic, there is not a single soldier who is not from our republic, from our region. Therefore, there is nothing in the sense of paramilitary formations.

[Reporter] Here is another statement that is new regarding the United Nations. It is stated that it is demanded that everyone withdraw, submit themselves to the command of the Bosnia-Hercegovina Government, or be disbanded or disarmed. The demand includes other formations, especially the elements of the Croatian Army.

[Karadzic] That is in a way encouraging, since it is the first time that a UN Security Council official document admits that Croatia is militarily engaged in Bosnia-Hercegovina, but it is also discouraging that the document foresees the legalization of that fact by merely placing the Croatian forces under the command of the Bosnia-Hercegovina Government. The Bosnia-Hercegovina Government does not exist. If the Presidency of Yugoslavia was a rump Presidency, then the Bosnia-Hercegovina Government and Presidency are even more rump. This would legalize the military pact between Tudjman and Izetbegovic, which is eminently and exclusively anti-Serbian; it surely is not against some other side but against the Serbs.

We think that we should then ask Japan to send us 70,000 troops who would place themselves under our command, and then it would not be an offense by Japan. Or, heaven forbid, if Yugoslavia were to send back its army into Bosnia-Hercegovina, which it perhaps should not have withdrawn, and place it under our command. That would create another pact to oppose the Izetbegovic-Tudjman pact.

[Reporter] Mr. President, the other points in the Security Council's resolution speak of tightening the sanctions against Serbia and Montenegro, against Yugoslavia. What do you say to that?

[Karadzic] I think that it is a continuation of the pressure exerted on the Serbian people in general, and on its state, that is, states. I think that it was going to happen whatever we did, unless we surrendered. In that sense I do not think we should have made any concessions. Perhaps we should not have withdrawn the Yugoslav Army from the Serbian Republic [of Bosnia-Hercegovina], since we declared ourselves in favor of Yugoslavia at the plebiscite. We would have had the sanctions then, of course, but the sanctions were imposed after that, in a more unfavorable climate for us. Perhaps we should have taken a firm stand at the first point, at their first demand, and then they could have imposed sanctions against us.

This gradual acquiescing certainly suits only our enemies. I personally believe that they are going to squeeze us as long as they can. The moment they realize that the Serbian people are rising to their own defense, to the defense of their existence and their state, when 10 million Serbs rise, 10 to 12 million when we include in Bosnia and Krajina, and 3 to 4 million Serbs in other lands, in Canada, America, and so on, when they rise, when the Serbs realize, when the entire Serbian people realize that their existence is in danger, that their extinction is taken for granted, then they will stop exerting pressure on us.

[Reporter] Dr. Karadzic, here in certain circles in Belgrade there are views heard every day that Serbs in Serbia and Montenegro are paying the price for the Bosnia Serbs.

[Karadzic] The Bosnian Serbs are only the excuse for the pressure. I must say, we have to remember what it was like when Russia was weak, when there was no balance of power. In 1878, Serbia suffered but not because of the Bosnian Serbs. Bosnia was handed over to the Austro-Hungarian Empire. In 1908, Austria annexed Bosnia-Hercegovina, after Russia lost the war with Japan. World War I was in 1914. In 1941, the suffering again was not because of the Serbs in Bosnia. The socialists were not in power then. The Serbs simply found themselves in a place of great geostrategic importance, the Balkans, and the intersection of the roads toward the East, and moreover the Serbs as Orthodox were seen as potential allies of the Russians; they have always represented the red flag to everyone who leads the imperial interests of the West. Sometimes it is Austria, sometimes France, recently, England, and finally, America now. It is obvious that, if the Serbs had been defeated by May as had been predicted, then Kosovo and Sandzak would have been in flames by the beginning of June. I do not know whether they would have dared to do anything in Vojvodina, but the fact is that the OSSERVATORE ROMANO, the Vatican newspaper, published about 10 months ago that Serbia had to be reduced to the borders before the Berlin Congress, meaning without Sandzak, without Kosovo, without Vojvodina.

[Reporter] Finally, Dr. Karadzic, one more question. What now?

[Karadzic] I think that we have to stop here and take a decisive stand on the defense of our existence. I think that the entire Serbian people have to unite around this thing that is above any party, any policy, to resist decisively any further dissecting of the Serbian entity. This resolution, like all others, shows without any doubt the confusion in the heads of the people who decide our destiny, or the total ignorance of the situation, or total arrogance as to the real situation, the real causes of the situation.

I think that we have to say one big no. If we have been known for saying no to Stalin, we must say no now. If there is a minimum of our rights, and a minimum of our interests, and our right to self-determination, then I think that we must look for allies in the world; we must demand that our arguments be heard. Basically, here at home, we must stand up straight and defend ourselves.

[Reporter] Thank you for this interpretation. This, esteemed viewers was your guest, Dr. Radovan Karadzic, president of the Serbian republic.

### Commentary Says Muslims Made Scapegoats by UN

*AU1711154492 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 1400 GMT 17 Nov 92*

[Commentary by Zoran Pirolic]

[Text] The paper war waged by the United Nations against the aggressor of Bosnia-Hercegovina is continuing with such fierceness that it is quite amazing that the aggressor has not already packed in its troops and scampered off the battlefields.

The resolution adopted last night by the Security Council will most certainly not result in any dramatic twist concerning the end of the war. The scores of words offer nothing new and concrete to the annihilated and weary Bosnia-Hercegovina. Perhaps we have lost all touch with world realities in this isolated and besieged city, but one of the most blatant realities is that the world is not going to do much to stop this war. It certainly will not opt for military intervention, because if it had wanted to, it had plenty of opportunity throughout the war.

The other truth we must face is that there will be no lifting of the arms embargo against Bosnia-Hercegovina, at least not in the near future. If one carefully analyzes the very decisive and unusually sharp letter sent by Bosnian President Alija Izetbegovic to Cyrus Vance [cochairman of the Conference on Yugoslavia], one realizes that the president of Bosnia-Hercegovina is less bothered by the fact that the embargo is not lifted officially from Bosnia and more by the excuses for keeping the embargo in force.

It appears that everything is being done to make Bosnia-Hercegovina the scapegoat, to solve larger Balkan problems at its expense. Vance and Owen say that lifting the embargo could lead to the flaring up of the war in the Balkans and would create many risks in this powder keg. That is as may be, but then why was the aggressor not stopped at the beginning of its bloody trail through Bosnia? There would not have been any talk of [word indistinct] risks. Now the people of Bosnia-Hercegovina who are already aggrieved enough are supposed to pay an even higher price just so that Serbian President Slobodan Milosevic does not provoke a conflict in Kosovo and thus have the situation escalate out of control.

The United Nations reacted in a similar way [word indistinct] to the frequent defeats that the chetniks have suffered in eastern Hercegovina, to the passions between Belgrade and Zagreb blazing to the extent that a new war seemed inevitable. An urgent truce was signed at the Sarajevo airport.

The tribulations of Jajce, Maglaj, Gradacac, Srebrenica, and other Bosnian towns were obviously not enough to start the machinery of the world organization.

The worst losers after the adoption of last night's resolution of the Security Council is the Serbian-Montenegrin federation, which has had the sanctions against it tightened so much that this country is already facing isolation without precedence in postwar Europe. Serbia and Montenegro will find themselves in such a blockade that [words indistinct] completely destroyed. Whether that will destroy Milosevic is an entirely different matter. Those who adopted the resolution think that if they squeeze Milosevic in Belgrade this will cause such a reaction among [Bosnian Serb leader Radovan] Karadzic's warriors that they will soon have no room for the continuing of the aggression. So far this kind of thing has not worked. The Serbian nationalists have long convinced themselves that the whole world is against them, so this will be just another argument for such a conviction.

### Serbian Attacks on Gradacac, Brcko Continue

*AU1711112792*

[Editorial report] Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian at 0900 GMT on 17 November in its regular 14-minute newscast carries several reports on the situation in the Republic.

In a report by the Gradacac Information Center of the Gradacac War Presidency read by an unidentified correspondent, it is said that "the chetniks are firing infantry and artillery weapons heavily at all the defense lines today. Since 2000 last night, this has been particularly intense in the region of Lukavac, Hasanbasici, Vida, and [name indistinct]. The aggressors from Serbia, Montenegro, and Bosnian Krajina, together with local chetniks (?have been opening) fire at the town center and all the suburbs."

Tuzla correspondent Salih Brkic reports on the situation having "calmed down on the Kalesija battlefields last night and today has begun calmly as well." He says that it was "calm in Zivinice last night. Only some sporadic

infantry fire has been registered around the (?Kuja) district during the last 24 hours." As regards the commune Gracanica, Brkic says that "the truce was violated around Miricina and (?Srijedokrs) yesterday." Finally, Brkic adds that "it was rather calm in the commune of Lukavac as well. Apart from some provocative shots from infantry weapons, the chetniks fired (?several) mortars in the Devetak region."

In a report from Brcko, a correspondent whose name is indistinct says that "although infantry attacks by the Serbo-chetnik aggressors at the Brcko defense line have been losing intensity over the past 12 hours, the enemy is still attacking the positions of the 108th Brcko Brigade and civilian targets on the free Brcko territory using all available artillery and other heavy weapons. Last night, the chetniks fired 33 tank grenades from the direction of Porebrice against Dubrave." Further on, the correspondent says that "the chetniks in Pelagicevo opened fire with 155 mm and 205 mm howitzers against our lines at Dubrave, Bosanska Bijela, Cerik, (?Podgoj), and Blazevac." Finally, the correspondent says that "all last night the chetniks fired flares over the region of Brod, Brodusa, and Lipovac and at the same time used mortars, tanks, and (?multiple rocket launchers) in Grbavica to fire on our positions [passage indistinct]. Enemy mortar fire and intensive fire from chetnik light infantry weapons were registered in the Donje Dubravice region last night."

Sarajevo correspondent Irfan Calo reports that "a shell hit the center of Bascarsija at about 0930, but there have been no reports of casualties. The enemy is also carrying out provocative actions using infantry weapons in the outskirts of the Stari Grad commune. It is calm in the Centar commune. It is also calm in Novo Sarajevo with only sniper activity at the Trg Heroja [new name for Pero Kosoric Square] and in the rest of the commune." Further on in his report, Calo says that "reports from Novi Grad say that the morning is calm throughout the commune. We have received reports from Vogosca, that is Kobilja Glava, that the aggressor is firing anti-aircraft machineguns and anti-aircraft guns in the region of Zuc. (?In this part) of the town, the enemy is opening fire with infantry weapons using fragmentation ammunition."

In a report about electricity in Sarajevo, correspondent Nikola Bilic says that "Sarajevo has been completely without electricity since last night." Electricity Board Official Durmic confirms this saying this saying that perhaps not the whole of but "most of the city, as well as its entire region, including Visoko, Vares, Kiseljak, [name indistinct], and so on, have been without electricity." Durmic says that they "assume that in the wake of the strong storm in Hercegovina last night, as well as here, we have problems with power lines down there."

## Islamic Conference Head Meets With Izetbegovic

*AU1611201492 Paris AFP in English 2013 GMT 16 Nov 92*

[Text] Sarajevo, Nov 16 (AFP)—The general secretary of the Organisation of the Islamic Conference (OIC), Hamid Algabid, made a brief visit to Sarajevo Monday [16 November] and held a one-hour session of talks with President Alija Izetbegovic, the presidency said.

Izetbegovic presented an outline of short-term and long-term aid requirements ahead of a meeting of OIC foreign ministers on December 1-2 at Jeddah, in Saudi Arabia, called to discuss the conflict in Bosnia.

"We handed the OIC delegation a list of our most pressing requirements, particularly with regard to food and energy", the president's foreign affairs advisor Hojrudin Somoun told AFP. Somoun said that so far Bosnia had found aid provided by Islamic countries insufficient. "The richest Arab countries could do more," he said.

Izetbegovic told Algabid he wished the OIC to maintain pressure within the United Nations for the lifting of an arms embargo on former Yugoslavia which was preventing his country from defending itself. "We need weapons to defend ourselves, but we want to be able to obtain them legally," he said.

Last week in Tehran, Algabid said he favoured military aid to Bosnia-Hercegovina "within the framework of international legality." On his return to Zagreb from the Bosnian capital late Monday, Algabid called on Islamic countries "to help Croatia cope with the enormous burden" of the Bosnian refugees on its territory, OIC delegation spokesman Nureddin Mezni told AFP.

Algabid was convinced after a meeting withy Croatian President Franjo Tudjman that Croatia and Bosnia were cooperating: "There is no doubt on this point, given that the two countries are facing the same Serbian aggression," Mezni quoted Algabid as saying. Algabid said that Croatia would need "substantial aid" to meet the refugee crisis.

Mezni said Croatia had been invited to attend the OIC foreign ministers' meeting in Jeddah next month.

## Iranian Report Decries Croatian 'Terror'

*LD1711090392 Tehran IRNA in English 0710 GMT 17 Nov 92*

[IRNA report: "Croatian Terror, and Police Rule in Central Bosnia"]

[Text] Central Bosnia, Nov. 17, IRNA—One should take a trip to the central Bosnian towns to understand the extent of difficulties the Bosnian Muslims are suffering in face of a true terror and police rule enforced in the area by the armed forces of Croatian Defence Council (HVO).

The only transit roads connecting central Bosnia with the outside world passes through the HVO controlled area in western Hercegovina. From the border to some 30 kilometers after Mostar, there is no sign of Bosnian flag or Bosnian control in the roads which are carefully

checked by tens of HVO inspection posts. In the posts, the Muslim passengers are stopped and very carefully examined.

A Muslim commander in the predominantly Muslim town of Visoko, some 28 kilometers west of Sarajevo, told IRNA that there were practically no major differences between Croatian and Serbian ambitions in B-H [Bosnia-Hercegovina]. HVO, with the generous help of Croatia has created its own state in the republic and even counts many Muslim towns such as Gorni Vakuf, Bugojno, and even Zenica (where only 17 percent of the population is Croat), or in brief every city of any industrial or strategic importance, as part of its so-called Croatian state of "Herceg Bosna," he said.

"All our communication lines with the outside world pass through areas controlled by the Croatian forces and we have to ask their permission for passing through our own country," he said.

In Mostar itself, where the number of Muslim population is slightly more than that of Croats, a weighty presence of HVO is felt. The city's main army garrison as well as all other important objects in the town are in full control of HVO militia. The forces of Bosnian Army have been driven to a small building in the old town. The building has no communication facilities, and in the past in many occasions was surrounded by HVO.

Some 40 telephone lines are still working in Mostar which are carefully monitored by HVO intelligence service, a Muslim correspondent told IRNA. He said that HVO has confiscated his and any other facsimile devices in the town and the only way of sending a report is through the local press center which is "of course" a HVO stronghold.

In the very central Bosnia, around the towns of Kiseljak, Travnik, Prozor and Vitez, the police rule of Croatian forces is being felt in far more intensity.

In these towns where the population is almost half Croat, half Muslim, Croatian forces, thanks to the weapons received from Croatia are in full control and have imposed a harsh policy of terror against Muslims.

An Iranian high ranking humanitarian aid delegation who toured west Hercegovinan and central Bosnian towns last week was itself victim of HVO terror.

The delegation which possessed written permissions from the Defence Ministry of Croatia and the Mostar headquarters of HVO was frequently stopped and searched at HVO posts. The members of the delegation when passing through Kiseljak were three times (two times in one day) detained and sent to Kiseljak main garrison controlled by HVO.

The HVO security officers were following the delegation wherever they went in Kiseljak. They were once detained only because an IRNA correspondent took a picture from the city cathedral. "You are mujaheed. You will see what will happen to you," said a security man who took the delegation to the garrison for the third time. In the garrison all films of the Iranian correspondents were taken by force and destroyed.

The chief of security in the garrison who did not disclose his name to IRNA correspondent said that his forces are ordered to detain all "mujahideen" sent from Islamic countries to Bosnia. It was understood that at the time 30 foreigners were detained in the garrison.

Any foreign Muslim, be a journalist or relief worker is considered a mujahid and is severely ill-treated and robbed by Croatian militia, said a Muslim official of Islamic community in Kiseljak.

Two Iranian relief workers who were detained 15 days ago by Croatian militia near Kiseljak told IRNA that they were imprisoned in the Kiseljak garrison for six days and were repeatedly beaten during interrogations.

"They called us mujahid and were asking questions we had no information about," the Iranians who wanted to remain unnamed told IRNA.

"We along with 19 others were imprisoned, in a 12 sq. meter room. We could not lie or pray," they added.

According to them, among the imprisoned people who were all from Islamic countries there were several Turkish journalists and relief workers from Arab countries.

After six days, they said, they took their car, their money and even their new clothes and set them free. "Don't ask anything, otherwise we will give you to chetniks (Serbian rebels)," they shouted at them.

"We were lucky", an Iranian said. "There was an Arab relief worker who was carrying some 300,000 dollars in cash and had to surrender all of that to HVO."

"It is dangerous being in HVO prisons. The armed guards got drunk at night and threatened us by fire arms and knives," he said.

After a busy day in Kiseljak garrison, the Iranian delegation was only few kilometers away from the town where it was stopped again by HVO units at an inspection post.

The members of the official team were taken out by the Croatian gunmen and were inspected thoroughly along with their luggage.

When they found nothing suspected, they confiscated three cameras belonging to the correspondents of IRNA and Tehran daily "TEHRAN TIMES".

The gunmen used fire arms to frighten journalist who were protesting against this "calculated robbery". The team was forced to leave, however, when the gunmen fired almost at the top of their head.

At the same inspection post, at around 20:00 hours local time, the Croatian gunmen were stopping private cars and buses, and taking out Muslim civilians. A father was

pressing his crying and trembling little child to his chest, trying to calm him who was obviously scared due to the fire shots and shouting of militia. Nobody dared to say a word.

What the Croatian forces are specially afraid of is supply of weapons to Muslims, which will change the balance of forces in central Bosnia in favour of Muslims. The Visoko commander said that some 50000 Muslims were ready to be mobilized but there were no weapons to be given to them.

The Muslims and not Serbs are considered enemy by HVO in central Bosnia. "While our youths are in the fronts fighting against Serbs the Croatian forces have remained in Kiseljak and thanks to their superiority in arms, brought the town under their control," the Islamic community official said.

Kiseljak, itself, is far less damaged in the Serbian aggression than the Muslim towns of Visoko and Konic which are in the similar distances from the Serbian lines.

"Every clash with Croats will practically imprison us and will deprive us even from humanitarian aid," the Visoko Muslim commander said, "however, we can be patient to a certain extent and cannot accept a Croatian state right under our nose here in Bosnia," he added.

## Serbs To Open 'Humanitarian Land Corridor'

*LD1611225492 Belgrade TANJUG Domestic Service in Serbo-Croatian 2149 GMT 16 Nov 92*

[Text] Belgrade, 16 November (TANJUG)—At Sarajevo airport where the three warring parties met today, representatives of the Bosnian Serbs agreed to open a humanitarian land corridor from Capljina via Mostar, Jablanica, and Hadzici to Sarajevo, SRNA announced tonight.

At the same time the Serbs guaranteed safety for convoys of the UN High Commissioner for Refugees in the course of their delivery of humanitarian aid.

The document on establishing humanitarian corridors from Ilidza-Lukavica to Sokolovic Kolonija, Butmir, and Dobrinja was not signed. According to SRNA, the reason behind this was the unequal treatment of the Serbian side in relation to the Muslim and Croatian side.

Colonel Zdravko Tolimir, a representative of the Army of the Serbian Republic [of Bosnia-Hercegovina], has told SRNA that a sharp protest note has been lodged with the UN Protection Force since the Croatian Defense Council signed the document as "a representative of Herceg-Bosna," and the Army of former Bosnia-Hercegovina signed it as "a representative of the Bosnia-Hercegovina Presidency," while the Serbian Army was signed as "the Serbian side" rather than as the Serbian Republic's Army.

Colonel Tolimir stressed that as long as the Serbian demand is not met and as long as the Serbs are denied the same treatment as the other two sides, they cannot sign this document.

### Klaus, Drnovsek Discuss Free Trade Agreement

*AU1611183492 Ljubljana Radio Slovenia Network in Slovene 1430 GMT 16 Nov 92*

[Text] Czech Prime Minister Vaclav Klaus paid a one-day official visit to Slovenia today. He held talks with Slovene Prime Minister Dr. Janez Drnovsek. Both government delegations informed the public of the results of the meeting. Tomaz Gerden reports from the news conference:

[Begin recording] Both prime ministers favorably assessed the former relations between Bohemia and Slovenia. Dr. Drnovsek stressed that both countries are facing similar problems in making the transition to the market economy. The Slovene and Czech Government delegations are drawing up a free trade agreement. The taxation system and protection of investments will also have to be regulated. Mr. Klaus expects that both countries will be able to sign the agreement in the middle of the coming year. Such a mutual agreement would accelerate trade considerably and would open up both markets.

Czech Prime Minister Klaus assessed the talks as follows: He was pleased with his visit to Slovenia and stressed the traditional Czech-Slovene friendship. He favored as close as possible relations in all spheres, and especially in the economic sphere. The Czech side was monitoring the process of gaining our independence with attention and sympathies and has now found itself in a very similar situation.

Answering reporters' questions, Klaus also compared our and the Czech privatization. Balancing trade to the extent possible was also discussed. The Czech Government delegation will discuss the details of economic cooperation with our government economists, led by Deputy Prime Minister Herman Rigelnik, this afternoon. The high-ranking guest will also be received by Milan Kucan, president of the Slovene Presidency, and Foreign Minister Dr. Dimitrij Rupel. [end recording]

### Kucan, Klaus Hold Meeting

*LD1611213792 Prague CSTK in English 2019 GMT 16 Nov 92*

[Text] Ljubljana Nov 16 (CSTK correspondent)—Slovenia is an interesting partner for the Czech republic, said Czech Premier Vaclav Klaus after his meeting with Slovene President Milan Kucan today.

He said that Slovenia showed interest in the activities of the Visegrad Troika, the Central European grouping comprising Czechoslovakia, Hungary and Poland. Like the Czech republic, Slovenia sees its meaning in coordinating activities of its member countries on the international scene and ensuring exchange of information between them, Klaus said.

Referring to a free trade zone agreement to be concluded between the Czech republic and Slovenia, Klaus rejected speculations that this agreement could be signed before similar accords are concluded with Hungary and Poland.

The Czech delegation, which met today also Slovene Vice Premier Herman Rigelnik and Foreign Minister Dimitrij Rupel, is due to return to Prague in the evening.

### Rupel Urges Lifting Arms Embargo on Bosnia

*LD1811100792 Zagreb Radio Croatia Network in English 0905 GMT 18 Nov 92*

[Text] Slovene Foreign Minister Dmitrij Rupel, in a letter to the foreign ministers of the Conference on Security and Cooperation in Europe, the CSCE, speaking about his recent visit to Sarajevo, said it is not enough to form committees and to speak about problems. He said that the time for action has come against the ethnic conflict and the ethnic cleansing. He continued saying that Serbian forces had destroyed everything that was cultural and European about Sarajevo. Rupel, in a distinct change from his previous views, said that the United Nations must lift the arms embargo to give the people the right to self-defense, and unarmed, the people of Sarajevo are just waiting for that bullet or that shell.

Hungarian media sources say that the new strengthened sanctions against Serbia and Montenegro will eventuate a total economic collapse. They also say that while the Serbian government still is heavily involved with the problems of Serbs in neighboring countries, social unrest will develop at home. The Hungarian Foreign Ministry announced that countries alongside the Danube River will enforce the strengthened sanctions against Serbia.

### Minister Says Borders With Italy Not To Change

*LD1411185392 Belgrade TANJUG in English 1816 GMT 14 Nov 92*

[Text] Ljubljana, Nov 14 (TANJUG)—Foreign minister of the former Yugoslav Republic of Slovenia Dimitrij Rupel said on Saturday [14 November] the borders between Slovenia and Italy cannot be changed.

Rupel's statement came as a reaction to a statement by Italian Foreign Minister Emilio Collombo on Friday that the aspects of the Ossimo accords should be reviewed. The Ossimo accords from 1975 regulate the question of the former Yugoslavia's northeastern border with Italy.

Commenting frequent demands in Italy that the Ossimo accords be reviewed and a part of Slovenia's and Croatia's territory returned to Italy, Collombo said the issue could be discussed but the revision was contradicted the CSCE principles. Therefore, he added, it is not important at all whether the Ossimo accords are valid or not after the break-up of the former Yugoslavia.

Collombo earlier said Italy would demand that the Italians who moved to Italy after World War Two be returned their property, but Rupel replied that the debts should be shared between Slovenia and Croatia—30 percent on Slovenia and 70 percent on Croatia.

Croatia and Slovenia, which participated in the disintegration of Yugoslavia and were the first republics to secede from the former state by unilateral acts, have of late been involved in disputes over economic issues and territorial waters. Some 20 days ago, a serious incident took place as a Croatian border patrol opened fire at Slovenian fishermen.

Leader of the opposition Slovenian National Party Zmago Jelincic on Saturday accused Croatia of trying to seize Slovenia's territories.

## Arms Smuggling at Slovene-Italian Border

*93BA0174D Ljubljana DELO in Slovene 5 Nov 92 p 10*

[Article by Iztok Umer: "They Took Aid to Croatia, and Arms From There"]

[Text] Koper, 4 Nov—The same truckers who brought humanitarian aid from France to Croatia tried to smuggle arms from Croatia to France. This has to do with a group of six Frenchmen who were discovered attempting to smuggle arms at the Kozina border crossing on the night of 2 November. The six are currently in investigative detention in Koper.

According to reports from the Koper internal affairs administration, on Monday around 1000 50-year-old Michel Serge Rene G., together with 49-year-old traveling companion Luis Philippe C.D., arrived at the Kozina international border crossing with a truck with French registration. During an inspection of the truck's compartment, an automatic rifle with 140 rounds and an M-75 grenade were discovered under the bed that the driver or his traveling companion uses to rest on.

The border authorities had not yet completely inspected the French truck when four Frenchmen arrived at the same border crossing in a passenger car—48-year-old Gilbert B., who was sitting behind the wheel, and 51-year-old Joan Claudo Maurice G., 41-year-old Dominique B., and 18-year-old Radul B. The border officials decided to inspect the interior of the passenger car as well. Under the front seats they discovered a Kalashnikov automatic rifle, two automatic rifles, two M-75 grenades, a 12-mm caliber rocket pistol, four frames for automatic rifles, one round for an antiaircraft weapon, and 115 rounds of various calibers, mostly 7.62 mm, which are used for automatic rifles.

The Koper UNZ [Internal Affairs Administration] says that the Frenchmen crossed the Slovene-Croatian border on 31 October with a cargo of humanitarian aid at the Pasjak border crossing, and then on 2 November returned through Slovenia toward Italy and France, but were stopped in the evening because of their attempted arms smuggling at the Kozina border crossing.

## Cooperation Agreement With EC Initialed

*93BA0174E Ljubljana DELO in Slovene 6 Nov 92 p 1*

[Article by Stojan Zitko: "Agreement on Cooperation With the EC Initialed"]

[Text] From our correspondent. Brussels, 5 Nov—Today the EC and Slovenia concluded the first phase in their negotiations to date on mutual cooperation in several areas, since the ambassador at the Slovene mission to the EC, Dr. Boris Cizelj, and director at the Directorate General for Foreign Relations Eberhard Rhein initialed the text of an agreement on economic and commercial cooperation. As we were able to learn on this occasion, they expect that the EC Council of Ministers will approve the above-mentioned agreement on 21 December, so that it could then be signed immediately by the two sides.

Of course, it is also necessary to take into account the fact that the EC still wants to have a financial protocol and a separate transportation agreement signed also, at the same time as the above-mentioned agreement. It is known precisely with respect to the transportation agreement, however, that the negotiations on some of its provisions are not yet finished, since the EC would like to ensure free transit through Slovenia for its traffic.

The agreement on cooperation between the EC and Slovenia will make it for both sides to strengthen further their present economic ties in the financial and technical area as well, and in commerce. The EC is also pointing out the significance of this action because Slovenia is the first state from the former Yugoslav federation that has started to conclude such agreements with it, although it is already announcing now that next year such negotiations may also start with other states in this region.

The agreement on economic and commercial cooperation recapitulates the provisions of the old agreement that the EC and the SFRY concluded in 1980. Its special features are not only the addition that Slovenia has to guarantee the protection of human rights, something that is allegedly to be a model for similar subsequent agreements, but also the separate accompanying declaration pointing out the significance of commercial and economic ties among the successors to the former joint state.

## Federal

### Djukic Addresses UN Security Council

*LD1611233392 Belgrade TANJUG Domestic Service in Serbo-Croatian 1759 GMT 16 Nov 92*

[Address by Foreign Minister Ilija Djukic to the UN Security Council in New York on 16 November]

[Text] New York, 16 Nov (TANJUG)—Following today's debate on the situation in Bosnia-Hercegovina, Minister for Foreign Affairs of the Federal Republic of Yugoslavia Ilija Djukic has addressed the UN Security Council saying the following:

Mr. President, my government has tasked me in my capacity as minister for foreign affairs of the Federal Republic of Yugoslavia with addressing you at today's session of the Security Council.

The Federal Republic of Yugoslavia is striving with a great deal of commitment to put an end to the war in Bosnia-Hercegovina through all its efforts, influence, and policies. It has fully accepted the decisions and principles of the London conference and maintains that their consistent implementation is the only way to put an end to this senseless and bloody war.

In this context, we particularly stress the significance of honoring the following principles, which the Federal Republic of Yugoslavia has fully and consistently complied with:

—devising a comprehensive solution to the Yugoslav crisis with the help of the United Nations, EC, and CSCE;

—as far as Bosnia-Hercegovina is concerned, seeking a peaceful solution on the basis of its three constituent peoples—Muslims, Serbs and Croats—being in full agreement;

—inviolability of the current borders between the former republics of the Socialist Federal Republic of Yugoslavia, with the exception of changes accomplished by peaceful agreement;

—respect for internationally recognized standards of human rights and freedoms;

—condemnation and termination of the practice of "ethnic cleansing," regardless of who carries it out and where it takes place;

—unhindered and speedy deliveries of humanitarian aid;

—compliance with all UN Security Council's resolutions.

Our main objective is, above all, the establishment of a lasting peace as quickly as possible. The FRY offers its good services with the aim of ending the conflict and bloodshed in this former Yugoslav republic as soon as possible. To this end, we have already done the following:

—The FRY Government has been considerably and undoubtedly involved in helping to end military operations in Bosnia-Hercegovina.

—It has invested great efforts and contributed considerably to end the blockade of Sarajevo under UN Protection Force [UNPROFOR] supervision;

—It has been decided that a mixed military working group should be in permanent session.

—It supported fully the October 13 declaration of the cochairmen of the Geneva Conference on Yugoslavia. Recent talks between President Cosic and Prime Minister Panic with cochairmen Cyrus Vance and David Owen in Belgrade, supported immobilization under UNPROFOR supervision of all airplanes and other airships of the Serb side in Bosnia-Hercegovina at Banja Luka airport.

In order to remove any grounds for accusations of involvement in military operations in Bosnia-Hercegovina, the FRY has been insisting since this July that UN observers be placed on all airports in former SFRY [Socialist Federated Republic of Yugoslavia] as well as on the border between the FRY and Bosnia-Hercegovina and between Bosnia-Hercegovina and Croatia, which unfortunately has not been endorsed.

The FRY has invested its influence in getting an agreement between Bosnian Serbs and UNPROFOR on the deployment of UN observers at 11 locations around Sarajevo, with the aim of placing heavy weaponry of Bosnian Serbs under UN control.

—The last member of the Yugoslav Army was withdrawn from Bosnia-Hercegovina this May; this was confirmed in reports by the secretary general and the European Community.

—To this end, the FRY president and the Federal Government have issued orders banning formation of paramilitary forces and their transfer from the FRY territory to the territory of Bosnia-Hercegovina.

—As a part of his peace drive, Prime Minister Panic visited Sarajevo on two occasions; he publicly called for the cessation of hostilities and explicitly proclaimed that he was against any forceful border changes.

—The FRY has no territorial claims against Bosnia-Hercegovina. This has been clearly stated in the 27 April declaration of the Yugoslav Assembly and in the 19 October joint declaration of Presidents Cosic and [bosnian President Alija] Izetbegovic, in which they confirmed their stand on inviolability of the existing borders unless an agreement is reached by peaceful means. Besides, they noted again that a comprehensive political solution for Bosnia-Hercegovina must be

reached by the three constitutive nations within the framework of the international conference in Geneva.

Mr. President: The FRY has resolutely condemned as a crime against humanity the practice and phenomenon of "ethnic cleansing" regardless of which side conducts it. During the crisis and the war in the former Yugoslavia, ethnic cleansing by one side inevitably led to ethnic cleansing by the other side. We resolutely condemn ethnic cleansing irrespective of which side conducts it.

We are witnessing terrible events for which all three sides in the conflict are responsible. There are numerous instances of drastic breaches of human rights and the international human law.

I am taking this opportunity to point out just some of the drastic crimes against the Serbian population that have mostly been ignored. In terms of severity, the massacres of Serbs on the Kupres plain, in Milici village and Bratunac, stand out in particular. A brutal ethnic cleansing of Serbs has been carried out in the Mostar Valley, as well as in western Hercegovina, which is today almost totally cleansed of Serbs. The inhuman condition to which civilians, mostly Serbs, have been subjected in captivity are particularly characteristic of the camps of Bradina Tunnel, Tomislavgrad, Sarajevo, Konjic, and Mostar. In many parts of Bosnia-Hercegovina, monuments that represent the Serbian people's national symbols have been destroyed. On this occasion, we also want to extend our support to the commission of experts established on the basis of Security Council Resolution 780. The Yugoslav Government has already submitted a relevant report to the secretary general on human rights violations on former Yugoslav territory.

Regrettably, the distortion and ignorance of these facts conveys an untrue picture to the international public, something that by no means helps resolve this confrontation. The advocates of unilateral condemnation are taking on a great deal of responsibility. Instead of this, it is necessary to support clearly the efforts the cochairmen and all the participants in the Conference on Yugoslavia are investing in seeking a lasting, just, and universally accepted solution.

Mr. President: The FRY is doing everything it can to ease the suffering of innocent people threatened by the war, regardless of their national, religious, or other affiliations. Even under conditions of a general and unjust blockade, which has been imposed upon us, the FRY is investing exceptional efforts to ensure acceptable conditions for an overwhelming number of refugees and displaced people. More than half a million refugees, mainly from Bosnia-Hercegovina, including 400,000 Muslims, are on Yugoslav territory. We are constantly providing substantial humanitarian aid in food and medicine for the entire population of Bosnia- Hercegovina. We have opened up humanitarian aid corridors from Belgrade to Sarajevo, as well as other corridors. However, we maintain that peace cannot be established on the territory of Bosnia-Hercegovina unless some basic facts are taken into account.

The core of the problem is that the war in Bosnia-Hercegovina is interethnic, religious, and a civil war. Three sides within Bosnia-Hercegovina are taking part in it, so the FRY cannot be held responsible for its eruption nor its continuation. The aggressor in Bosnia-Hercegovina can only be the Republic of Croatia, whose regular and well-armed formations with 40-60,000 people are waging war on the territory of Bosnia-Hercegovina. Hence, it is everyone's duty to condemn such conduct, which violates basic norms of the international law and the UN Charter.

Leaders who opted to create national states at any cost undoubtedly bear great responsibility for the current bloodshed. Alija Izetbegovic, the leader of the Party of Democratic Action, did everything to create a unitary state dominated by 41 percent of the population. As long ago as 1990, when he was the president of Bosnia-Hercegovina, he again publicly stated that objective by publishing his book "Islamic Declaration" in Sarajevo. Allow me to quote a paragraph from that declaration:

"The first and most important of these conclusions is surely the one about incompatibility of Islamic and non-Islamic systems. There can be neither peace nor coexistence between the Islamic fate and non-Islamic social and political institutions."

In view of this, all his statements that a unitary state would be a civilian state, which would guarantee human rights to non-Muslims, that is, Christian people, who comprise the majority in Bosnia-Hercegovina, does not hold water.

This was the reason why the Serbian people in Bosnia-Hercegovina voted against a forceful separation from the FRY in a plebiscite. The immediate reason for this was drastic and brutal violations of the Bosnia-Hercegovina Constitution on the part of the Bosnia-Hercegovina leadership, which did not include Serbian representatives. It is ironic that precisely that Bosnia-Hercegovina Constitution was adopted immediately after Alija Izetbegovic became the head of Bosnia-Hercegovina.

If what is written in the Bosnia-Hercegovina Constitution, which is still in effect today, had been taken into account at the time, since it stresses that no decision of vital importance for Bosnia-Hercegovina can be taken without the consent of all three peoples—Serbs, who account for 32 percent; Muslims, for about 41 percent; and Croats, for about 17 percent of the population—we would not have such a bloody war in Europe today. The only goal Alija Izetbegovic advocates in public is "military victory," which is being compounded by increasingly obvious attempts to make the international community side militarily with the Muslims of Bosnia-Hercegovina. The international community has had many opportunities to directly witness this.

Mr. President, the premature recognition of Bosnia-Hercegovina by the EC, as publicly acknowledged by many, including Lord Carrington and Cyrus Vance, as well as its admission to the United Nations only exacerbated the crisis and war and dramatically increased the suffering and the number of casualties.

The current phase of the war in Bosnia-Hercegovina is being made even worse by the increasingly numerous foreign mercenaries from a certain number of Islamic countries. Their involvement can have unforeseeable consequences for Bosnia-Hercegovina and the Balkans. Here, I want to remind you of the talks between FRY President Dobrica Cosic and President Izetbegovic in Geneva on 19 October 1992, when Alija Izetbegovic took on an obligation to eliminate paramilitary groups, criminals, and mercenary elements, regardless of whence they came.

Now, Mr. President, the most important question is how to find a way out of this nightmare.

My government believes deeply that a peaceful solution is the only solution for Bosnia-Hercegovina. We are convinced that through the joint efforts of all of us we should do everything possible, as we stressed on several occasions, so that the three sides in the conflict in Bosnia-Hercegovina reach a mutually acceptable solution within the framework of the international conference on former Yugoslavia. My government will respect and support such a solution.

Our concern is at the same time heightened, Mr. President, by increasingly feverish calls for military intervention. It is more than clear that there are too many weapons in Bosnia-Hercegovina. Those who advocate the additional dispatch of arms to any side in Bosnia-Hercegovina are only pouring oil on the fire.

We cannot but warn, with concern about unforseeable harmful consequences, against a further dispatch of mercenaries, further breaches of the arms embargo, and increasing prospects for this conflict to be transformed into a merciless religious war. I recall that my government recently submitted to the secretary general and the UN Security Council a memorandum on violations of the arms embargo under Resolution 713.

Mr. President, my government has fully fulfilled all its obligations undertaken at the London conference. The FRY Army withdrew from territories around Dubrovnik and the Prevlaka peninsula. Immediately after the withdrawal, the Croatian Army launched sweeping operations against Serbs in Hercegovina, in particular in Trebinje, and FRY President Dobrica Cosic and Prime Minister Panic warned of serious consequences for the preservation of peace and security in their recent letters to the secretary general. Parallel with violations of agreements, Presidents Tudjman and Izetbegovic proceeded in front of the entire world with their military alliance against solely the Serbian people in Bosnia-Hercegovina. They even informed the Security Council about this on 2 November.

Mr. President, this is the moment of decision on which the fate of peace, not just in Bosnia-Hercegovina, depends. All nations of the former SFRY have already suffered in war. You now expect from us not just efficiency but also wisdom, not just resoluteness but also responsibility.

Let us not allow one-sided passions to lead us. Let us not be judges before the court sits; let us be peacemakers.

Mr. President, the FRY is subject to strict sanctions, which we are convinced are one-sided and unjust. Sanctions have never resolved problems, and it is difficult to believe that they would end the war in Bosnia-Hercegovina. Sanctions hurt the most vulnerable sections of the population. Under these conditions, more than half a million refugees enjoying FRY hospitality, including about 300,000 refugees from Bosnia-Hercegovina, have been punished.

By lifting the sanctions against the FRY, the United Nations would prove that justice and humanity have not lost their value. This would also support efforts that the FRY Government is undertaking toward historic and democratic changes.

Finally, I reassure you, Mr. President, that my government is ready to do anything to restore peace on this soil, since this is in our vital interest, too. I believe that a military option could not be a solution. However, we are not capable of restoring peace on our own.

In all this, we relay on the United Nations, and we do not doubt that this Security Council has not just power but also wisdom, responsibility, political feeling, and obligation to find right solutions based on truth and justice.

Furthermore, there is no doubt that Secretary General Butrus-Ghali and the two cochairmen of the Conference on Yugoslavia, Cyrus Vance and Lord Owen, whose activities we support, have an important role in this.

Thank you, Mr. President.

## Panic Says Sanctions 'Absolutely Not Fair'

*AU1711193792 Belgrade Radio Beograd Network in Serbo-Croatian 1800 GMT 17 Nov 92*

[Excerpts] Prime Minister Milan Panic visited Macva today. He held talks with representatives of the agricultural plant of Macva and with the farmers about the problems facing agriculture. Then he visited the Sabac dairy, and finally he held a news conference. Pavle Isailovic reports.

[Begin recording] [passage omitted] [Isailovic] Asked by the reporters what he thought about the tightening of the sanctions, stricter control and the ban on transit, Milan Panic said:

[Panic] I think that the most important thing we have to do is conduct the elections, democratic elections recognized by the world. My view is that the sanctions are not

fair. The sanctions are not fair. They are too much against us. I cannot fight the whole world; I want to get rid of the sanctions. Fair or unfair, let the historians decide on that. My view today is that they have gone too far. Unfortunately, they think—if you have read the statements coming from Brussels and New York—that if they lift the sanctions they would be helping the present regime in Yugoslavia, and they will not do that even though I am sitting here. That is tragic. I think that it is absolutely not fair. I cannot understand that the democratic West insists on changing the system economically. Instead of helping us change it democratically, they say that if they help the democratic group that is trying, like our government, to do so, then they would be helping some wrong government, some wrong regime, as they call it. I do not believe that one man like [Serbian President Slobodan] Milosevic can be held responsible for the whole nation. [end recording]

### Panic Denounces Sanctions, Praises Russians

*LD1611202092 Belgrade TANJUG Domestic Service in Serbo-Croatian 1628 GMT 16 Nov 92*

[Text] Belgrade, 16 Nov (TANJUG)—[President Dobrica] Cosic and Panic have no party; instead, they have a position which means, in short, Yugoslavia's unity, democratization, changes, and prosperity, Yugoslav Prime Minister Milan Panic told a group of Russian reporters.

The group of 10 Russian journalists arrived in Yugoslavia at the invitation of the Federal Ministry for Information. Apart from Belgrade and Podgorica, the itinerary of their five-day visit will also include Vukovar and the Russian UN Protection Force battalion.

Answering the journalists, Panic said that he favors talks with everyone who is close to "the position of Cosic and Panic," hence his talks with the opposition. Noting that he is not a part of the Cosic-Panic team but a member of the Cosic team [as received], the Federal Government president [prime minister] stressed that he does not want to be associated with extremists and extreme nationalist trends.

Panic pointed out that Serbian President Slobodan Milosevic's concept of democracy differs from that of himself and Yugoslav President Cosic. We have become a group of people who disagree with Slobodan Milosevic regardless of whether or not we wanted this, he added.

If they ask me, and if I can help the cause of democratization, I will lend them my name, but I nevertheless want to be sure that this is more than just their enthusiasm, Panic said on being asked whether his name would appear on the opposition's electoral list. Quite aside from this, in politics there are some things that should not always be said, he added.

We fortunately realize, reading the Russian press, that you are on the side of Cosic and Panic and the policy of peace, he told the Russian reporters. Explaining this Cosic-Panic position further, the president of the Federal Government said that their struggle for Serbs outside Yugoslavia is not a struggle waged by tanks although it is a fight for victory. We have a clear situation regarding the Yugoslavs of Albanian origin—we want them to be part of Yugoslavia's political life and democratic system, he added. Panic cited the termination of the causes of the introduction of sanctions as his main aim.

The federal premier told the Russian journalists about a recent debate in the Federal Assembly about a motion of no confidence in the Government as well as about public opinion polls conducted last month, when 77 percent of Yugoslavia's citizens who were polled expressed confidence in the Federal Government, 14 percent opposed it, and nine percent remained undecided.

On the other side there are the socialists and extremists, although not even every socialist opposes Panic, the premier said.

Noting that the problems of Serbs and Russians are very similar, the Russian journalists wanted to know whether he could be expected to meet Russian President Boris Yeltsin. The premier said that, given the situation in both countries, we could only exchange our problems rather than the solutions. I would, of course, like to meet him because to solve a problem you have to understand it, Panic said. He regards the Russian Government's participation in international politics regarding Yugoslavia as significant. Panic thanked Russia for its policy toward Yugoslavia, pointing out, as an example, its insistence on not excluding Yugoslavia from the CSCE.

Asked about what he would say in his talks with Yeltsin about the sanctions which are also being applied by Russia, Panic said that he would demand that he start a process of lifting the sanctions since Yugoslavia has removed all the reasons which led to the introduction of sanctions.

Once the sanctions are lifted I will publicly advocate the idea that never and nowhere should they be applied, Panic stressed. They inflict suffering on ordinary people who are not their targets; sanctions do not change political systems, Panic said.

Bush, Gorbachev, Genscher, Thatcher and many others have gone, while Saddam Husayn is still in power in Iraq. Nothing has changed in Cuba for the past 30 years despite the blockade, Panic said in illustrating his claim.

Asked whether Russia could take concrete steps that would help Yugoslavia, Panic gave an affirmative reply and added that the political situation in the world has changed and that he is a pragmatic realist. I do not know whether it is you or we who need Western help most, Panic told the Russian reporters, and added that it is unrealistic to expect a Russian veto in international organizations on decisions unfavorable to Yugoslavia. He added, however, that he expects Russia's help in initiating a softening of sanctions.

Asked about his peace plan for Bosnia-Hercegovina, Panic said that this plan was submitted to the United Nations and that its major portion was accepted at the London conference. Although dreadful things are continuing to take place even today, a great deal has nonetheless been done—there are no major battles, the federal premier stressed. He drew attention to the words of General Philippe Morillon, peace force commander for Bosnia-Hercegovina, according to whom the current level of combat activities amounts to only 25 percent of that of several months ago.

Panic mentioned the opening of Sarajevo airport as well as the roads from Sarajevo to Belgrade, Split, and Zagreb; the ability of the Red Cross to deploy its full capacities; the fact that refugees can leave the city; and the restoration of water, electricity, and gas supplies to Sarajevo. Unfortunately, when good things happen they get no publicity, Panic said, and added that the Serbs, Croats, and Muslims are working together on demilitarizing Sarajevo. It will be my happiest hour when they restore peace by themselves, he stressed.

Believe it or not, even in America there are paramilitary formations, Panic said on being asked about the Serbian paramilitary army in Bosnia-Hercegovina. This element always emerges in civil wars when there is no control and it is more visible than in other situations, he added.

Panic thanked the Russian reporters for their visit and their interest in getting directly acquainted with the problems Yugoslavia has been facing. He asked the Russians to wish Yugoslavia peace. If they help, we will have it, Panic said in conclusion.

### Transport Minister: Traffic To 'Come to a Halt'

*LD1711173292 Belgrade TANJUG in English 1639 GMT 17 Nov 92*

[Text] Belgrade, Nov 17 (TANJUG)—Yugoslav Minister for Transport and Communications Milan Vujcic said on Tuesday [17 November] that owing to the latest and even tighter sanctions imposed on Yugoslavia all traffic would soon come to a halt in the country, which, he said, would directly affect the entire economy.

The Security Council resolution adopted on Monday which bans all transit traffic directly affects rail and road transport, on which industrial production directly depends, Vujicic told TANJUG.

The U.N. Security Council had already stopped two forms of traffic in Yugoslavia—air traffic and nautical and river transport, he said.

Vujcic sees the only way out for Yugoslavia's traffic and economy in the lifting of the U.N. sanctions against Yugoslavia.

### Belgrade Dailies Decry Effects of Sanctions

*LD1811102592 Belgrade TANJUG in English 0949 GMT 18 Nov 92*

[Text] Belgrade, Nov 18 (TANJUG)—Tighter U.N. Security Council sanctions against the Federal Republic of Yugoslavia hardest hit citizens, the Belgrade dailies POLITIKA and VECERNJE NOVOSTI said on Wednesday [18 November].

By its Monday night resolution, the Security Council "once again unilaterally violated the principles of the U.N. Charter by breaching the basic rights of the Serbian and Montenegrin peoples, in the name of humanity, justice and democracy," VECERNJE NOVOSTI said.

Instead of the "right to life, work and progress," the Serbs and Montenegrins have been given "hunger, freezing and dying of most common illnesses," the daily added.

The resolution "will put three million Serbs in the Republic of Serbian Krajina (RSK) in a complete isolation, leave them at the mercy of cynicism of the world's powers," VECERNJE NOVOSTI said adding that the "entire transport of goods and people was unfolding via the F.R. [Federal Republic] Yugoslavia."

The RSK was proclaimed by Serbs in the former Yugoslav Republic of Croatia, on the predominantly Serb-populated areas, in response to the Croatian authorities' secessionist policy and their attempt to reduce the status of Serbs to the status of a national minority.

POLITIKA said the Yugoslav side had met many demands by the international community, including the Yugoslav Army's withdrawal from the Dubrovnik region (Croatia) and the Prevlaka peninsula (on the Croatia-Montenegro border), and the calling of early elections.

"Instead of easing the sanctions, the U.N. Security Council has tightened them," said POLITIKA adding that "this will even more affect the citizens of the F.R. Yugoslavia."

## Serbia

### Opposition Parties To Take Part in Elections

*LD1811042492 Belgrade TANJUG in English 0048 GMT 18 Nov 92*

[Text] Belgrade, November 17 (TANJUG)—The council of the Democratic Movement of Serbia (Depos), an opposition movement in the Yugoslav Republic of Serbia which includes several influential parties, decided on Tuesday [17 November] evening to take part in the early elections, Depos Spokesman Vladeta Jankovic told TANJUG.

Twenty-nine members voted for the decision, 24 against it and four abstained, which means that one vote was decisive. The narrow majority in the voting also results

from the fact that all conditions for a fair election campaign have not been fulfilled and some participants in the debate pointed out this fact.

Early Federal, republican and local elections in Yugoslavia are scheduled for December 20 and most opposition parties in Serbia and Montenegro have already decided to take part in them.

Jankovic said that Depos' lists of candidates for the Federal and republican elections would not include the candidates of the Democratic Party of Serbia (DSS), which was in the minority in the voting. If, however, the main committee adopts the decision of the council, the movement's election lists will also include the candidates of the DSS.

## Macedonia

### Tension Increases Between Macedonians, Albanians

*93AE0106A London AL-HAYAH in Arabic 8 Nov 92 p 6*

[Article by Jamil Rufa'il: "Kosovo Albanians Accuse Serbs of Reneging on Their Pledges To Abolish Discrimination; Escalating Tension Between Albanians, Macedonians"]

[Text] Belgrade—Albanian sources in Kosovo have denounced the Serbian side's procrastination in fulfilling its commitments on resuming school instruction in Albanian in the province. Meanwhile, reports speak of an escalating tension between Macedonia's authorities and the Albanian minority in this ex-Yugoslav republic.

Dr. Ibrahim Rugova, president of the Republic of Kosovo and heads of the province's Democratic Alliance, has urged the United Nations to investigate what he has characterized as the "Serbian side's failure" to implement the minimum terms of the accord on reopening Albanian elementary schools in Kosovo. This accord was concluded in Pristina, the capital, late last October during the talks with Milan Panic, prime minister of the Federation of the Republics of Serbia and Montenegro, in the presence of UN Mediator Cyrus Vance and European Mediator Lord David Owen.

In a statement, a copy of which AL-HAYAH received yesterday, Saturday, Rugova said: "This position is further proof that the Serbs are not prepared to reach an understanding and to fulfill their promise to develop a peaceful solution for the Kosovo problem now that they have refused to resume talks with the Albanian leadership in Geneva."

#### Serbian Retreat

Rugova pointed out that the Serbs have reneged on their promises to abolish discriminatory laws in Kosovo, "considering that acts of intimidating, suppressing, detaining, and expelling Albanian citizens from their homes on feeble pretexts have persisted and have extended to include even parliamentary deputies elected by Albanians. Pressure on free expression has also escalated in the wake of a resolution issued by the Serbian legislature in Belgrade to impose full governmental control on RILINDJA, the sole Albanian-language daily in Kosovo.

Rugova has also condemned the settlement campaign supervised by radical Serbian associations. He also commented on a statement made recently by Dobrica Cosic, the federation president, in which he accused Albanians of being determined to secede [from the federation].

#### Macedonian Albanians

Meanwhile, reports received in Belgrade indicate that a clash occurred in Skopje, the capital of Macedonia, two days ago, Friday, between members of the Albanian minority and local police. According to an official Macedonian statement, one Albanian was killed and others, including police forces, were wounded in a battle in which the two sides used firearms.

The official Macedonian statement holds Albanians responsible for the incidents that emanated from riots in which nearly 2,000 members of the Albanian minority had taken part and that had caused extensive damage to private and public property in Skopje.

Unofficial sources have reported that tension has prevailed in the Albanian quarters of the capital of Macedonia, where the authorities have imposed a curfew and arrested a large number of Albanian citizens.

It is to be noted that a large Albanian minority lives on the border of the Republic of Macedonia and the Republic of Albania. This minority amounts to nearly 20 percent of the republic's population of 2.2 million. Muslim Macedonians and Turks, who amount to nearly 10 percent the population, sympathize with this minority. Orthodox Macedonians form nearly 67 percent of the population, and Serbs represent 3 percent of the population.

Observers fear that these incidents could be a sign of an intensifying Albanian problem in Macedonia, which declared its independence in the wake of the collapse of the former Yugoslav federation.